

Joint Appropriations Subcommittee on
Justice and Public Safety

**Department of Public Safety
State Bureau of Investigation
Alcohol Law Enforcement**

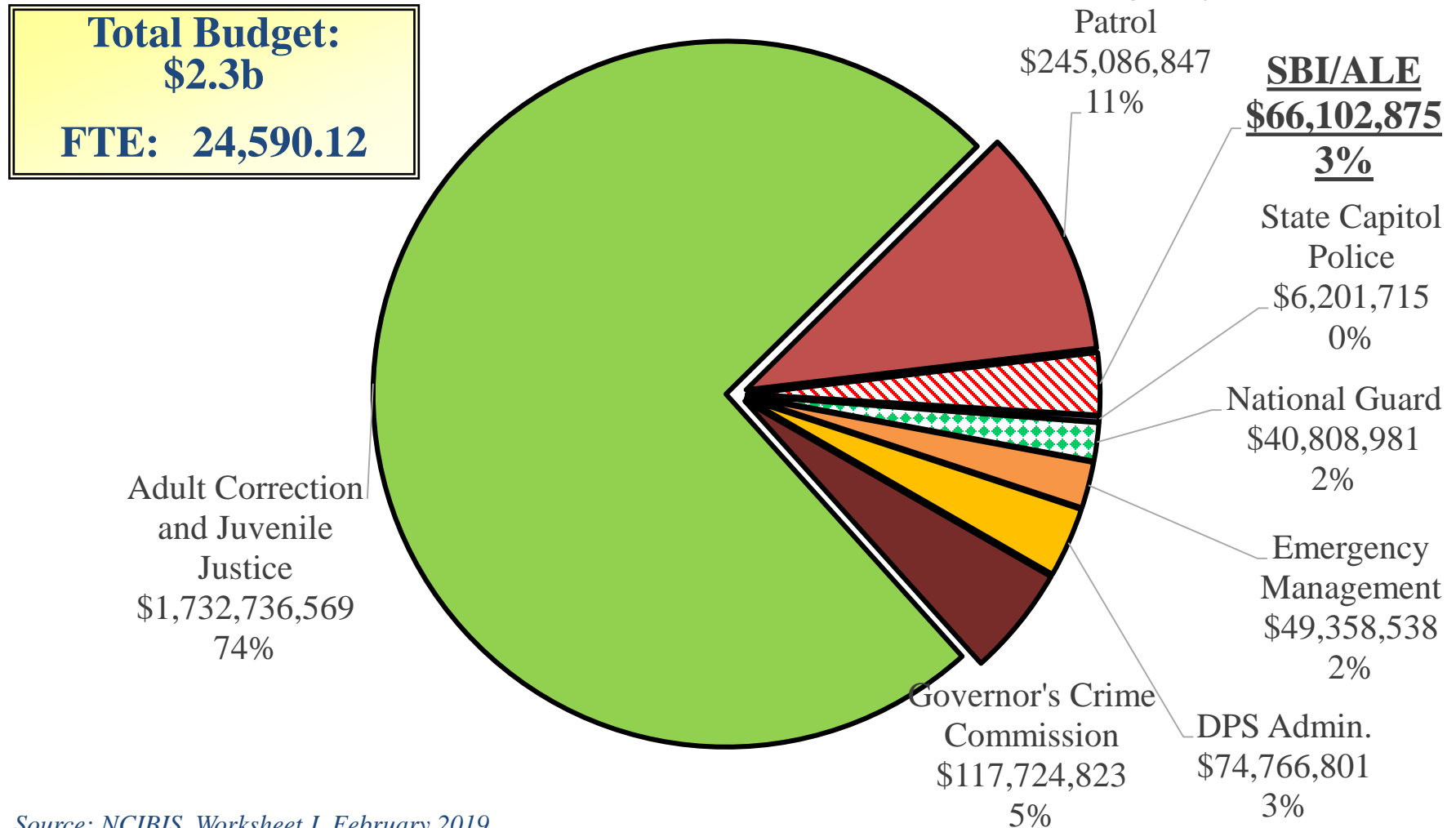


March 27, 2019



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

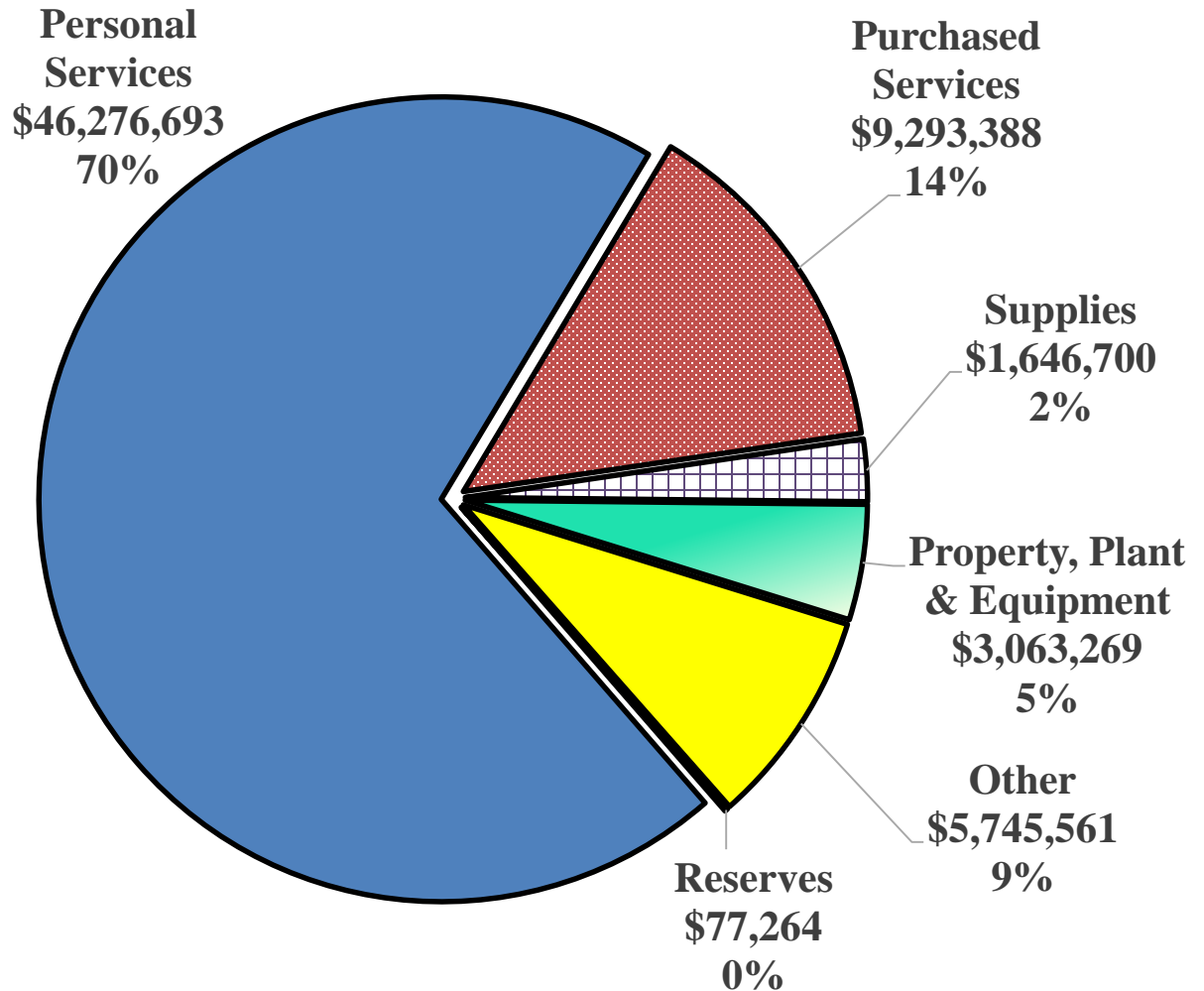
DPS Base Budget FY 2019-20



Source: NCIBIS, Worksheet I, February 2019

FY 2018-19 SBI/ALE Base Budget

SBI/ALE Base Budget by Purpose



Requirements
\$66,102,875

Receipts
\$19,558,946

Net General Fund Appropriations
\$46,543,929

FTE
557.84

SBI: 435.84
ALE: 122

Source: NCIBIS, Worksheet I, 2019

FY 2018-19 SBI/ALE Base Budget by Source

Major Receipt Sources

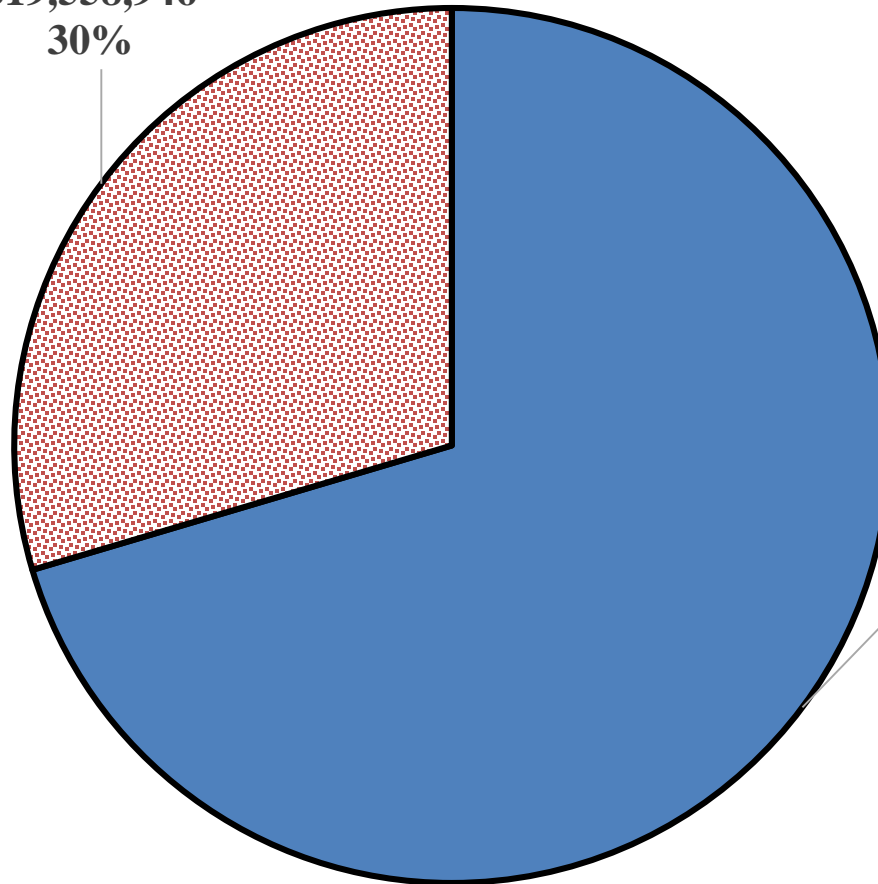
Conceal Handgun
Permits:
\$6,162,809

Background Checks
(Fingerprint and
Criminal Records):
\$4,306,110

DCIN Fees
\$3,360,822

Lottery Fund Support:
\$2,100,000

Receipts
\$19,558,946
30%



Appropriations
\$46,543,929
70%

Source: NCIBIS, Worksheet I, February 2019

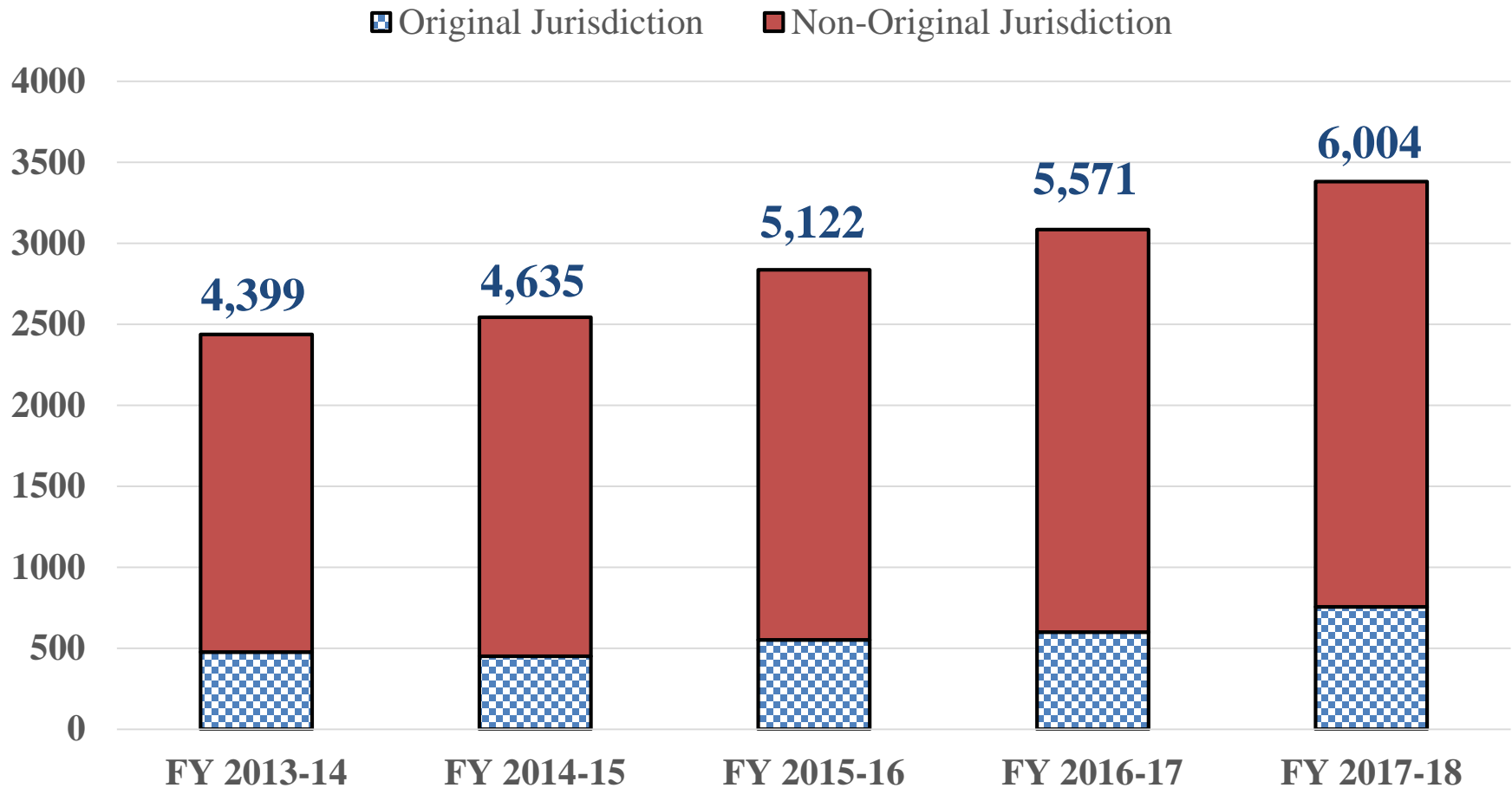
State Bureau of Investigation

- G.S. 143B-919 lists SBI original jurisdiction:
 - Election fraud
 - Lynchings
 - Computer crimes against children
 - Child sex abuse in daycares
 - Explosives
 - Hazardous waste dumping
 - Communicating threats
 - Arson (G.S. 58-79-5)
 - Gambling and Lottery
 - Drugs (G.S. 90-113.5)
 - Human Trafficking
 - Assistance to law enforcement upon request



Investigation History

SBI Investigations by Origin



Source: SBI

SBI Director

Previous Law

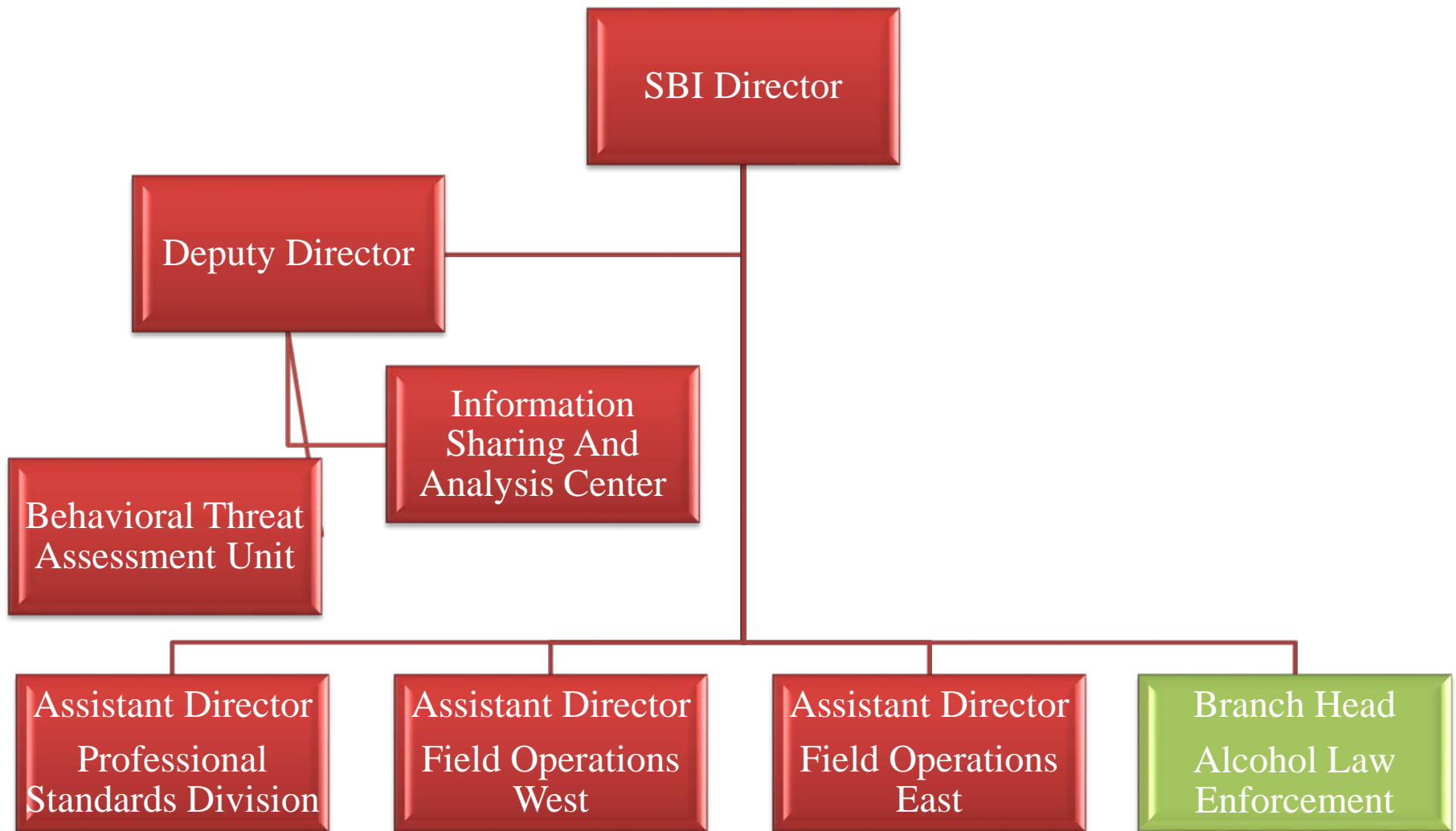
- Appointed by the Attorney General (AG)
- Served at pleasure of the AG
- No set terms
- Conducted most investigations “upon the request of” or “under the direction of” the Governor

S.L. 2014-100, Sec. 17.1

- Nominated by the Governor and confirmed by the NCGA
- Can only be removed for cause by the Governor
- Eight-year terms
- Conducts most investigations “at the request of” or “under the direction of” the Governor

Current Director: Bob Schurmeier, sworn-in July 2016

State Bureau of Investigation



SBI and ALE: Separate and Discrete

- ALE: Relocated as a branch under SBI in 2014
- G.S. 143B-928.(a):
 - “Notwithstanding any overlap between the duties and jurisdiction of the Alcohol Law Enforcement Branch and the remainder of the State Bureau of Investigation, the Alcohol Law Enforcement Branch is a separate and discrete branch of the State Bureau of Investigation and alcohol law enforcement officers are separate and discrete from other sworn law enforcement officers of the Bureau. No funds or positions shall be transferred from budget code 14550, fund code 1401, to any other fund code or budget code except by act of the General Assembly.”
- ALE federal forfeiture funds shall only be expended for ALE purposes

Professional Standards Division

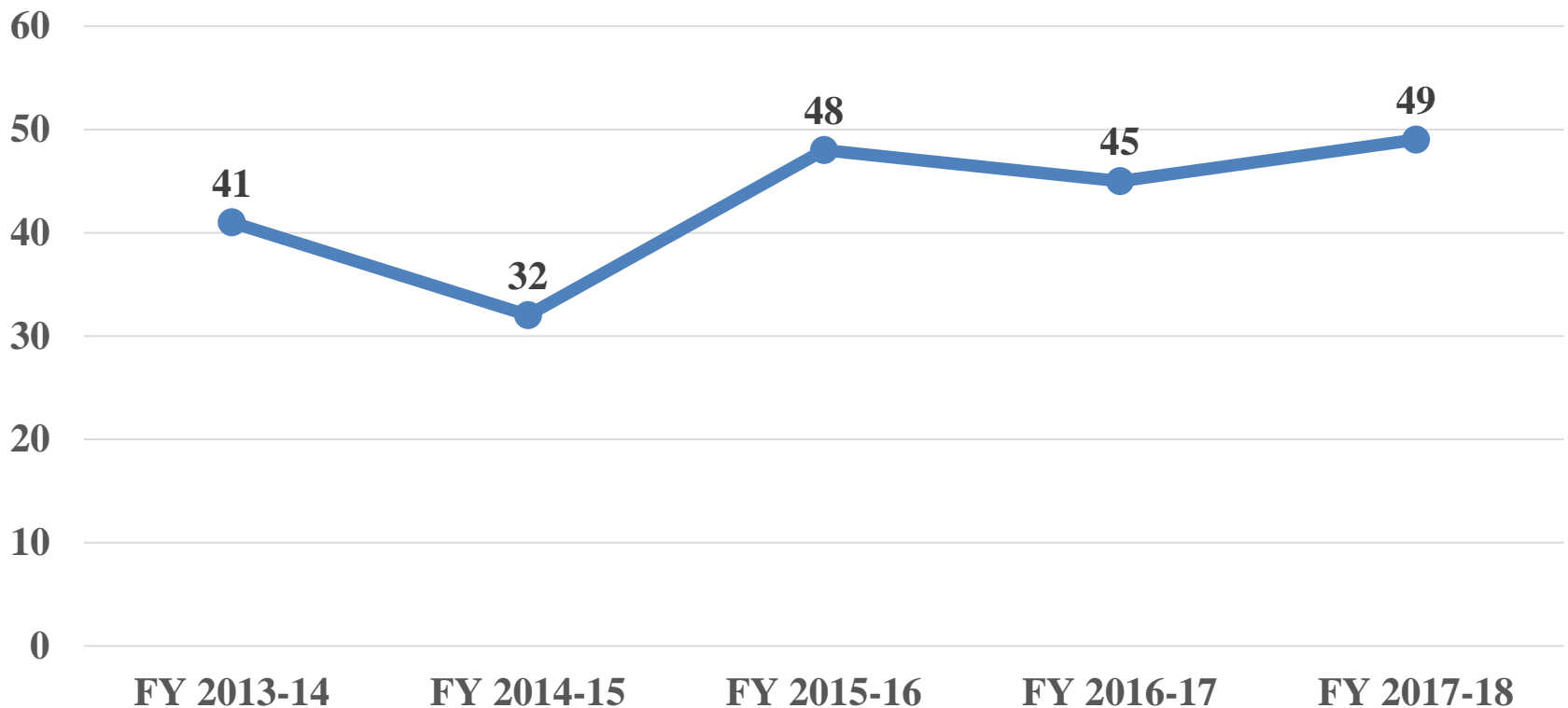
- Cooperative Disability Investigations
- Inspections and Compliance
- Internal Affairs
- Special Investigations Unit
- State Property



Special Investigations Unit

Investigates public corruption and government misconduct and internal affairs for the SBI.

Public Corruption Investigations by Year



Source: SBI

Field Operations

- Eight District Offices
 - Personnel: Special Agent in Charge (SAC), Assistant SAC, special agents, administrative secretary, office assistant
- Provide assistance to local law enforcement
- Investigate original jurisdiction cases in their district
- Crime Scene Search
- Polygraph

Special Services Unit

SAC Rick Hetzel
1060 Zion Church Rd.
Hickory, NC 28602
828-294-2226
FAX: 828-294-3932

Northwestern District (7)

SAC Chris Laws
1060 Zion Church Rd.
Hickory, NC 28602
828-294-2226
FAX: 828-294-3932

Northern Piedmont District (5)

SAC Scott Williams
501 Industrial Avenue
Greensboro, NC 27406
336-303-4840
FAX: 336-256-1360

Capital District (4)

SAC Mike Denning
1705 Tryon Park Dr.
Raleigh, NC 27610
919-779-8188
FAX: 919-779-8139

Special Investigations

SAC Tom Ammons
3320 Garner Rd.
Raleigh, NC 27610
919-662-4500

Northeastern District (2)

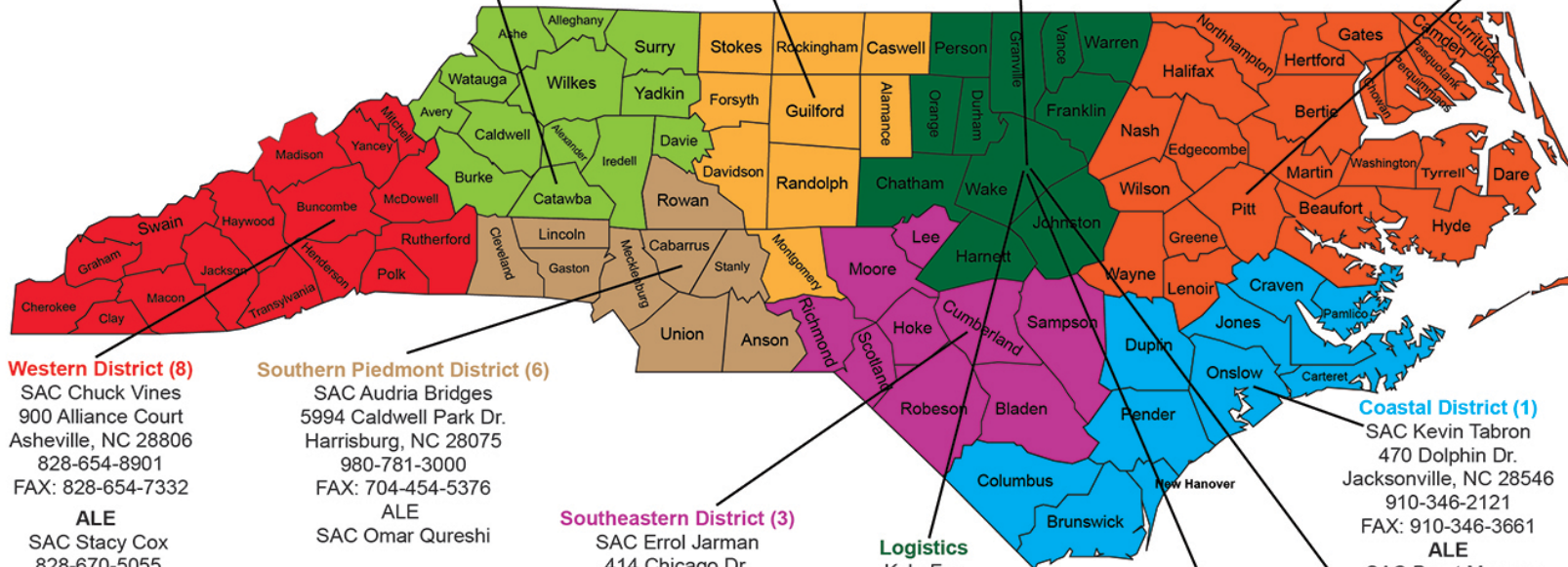
SAC Anthony Jernigan
1013 W.H. Smith Blvd.
Greenville, NC 27834
252-756-4755
FAX: 252-756-4779

ALE
SAC Chess McQueen

ALE
SAC Rodney Beckom

ALE
SAC Clay Joyner

ALE
SAC Eric Swain

**Western District (8)**

SAC Chuck Vines
900 Alliance Court
Asheville, NC 28806
828-654-8901
FAX: 828-654-7332

ALE

SAC Stacy Cox
828-670-5055
FAX: 828-654-7332

Southern Piedmont District (6)

SAC Audria Bridges
5994 Caldwell Park Dr.
Harrisburg, NC 28075
980-781-3000
FAX: 704-454-5376

ALE

SAC Omar Qureshi

Southeastern District (3)

SAC Errol Jarman
414 Chicago Dr.
Fayetteville, NC 28306
910-778-5724
FAX: 910-486-1960

ALE

SAC Derwin Brayboy

ALE

SSAC Admin Jason Locklear
3320 Garner Rd.
Raleigh, NC 27606
919-662-4500

Training Section

Acting SAC Kathryn Anderson
3320 Garner Rd.
Raleigh, NC 27610
919-662-4500

ALE

ASAC Michael Klingenschmidt

Logistics

Kyle Fay
3320 Garner Rd.
Raleigh, NC 27610
919-582-8551
Fax 919-662-4521

ALE

ASAC Scott Young

Financial Crimes

SAC Chris Cardwell
1705 Tryon Park Dr.
Raleigh, NC 27610
919-662-4545
FAX: 919-662-4540

DECU

SAC John Keane
1705 Tryon Park Dr.
Raleigh, NC 27610
984-204-2722
FAX: 919-779-8132

Computer Crimes Unit

SAC Alan Flora
1705 Tryon Park Dr.
Raleigh, NC 27610
919-779-8130
FAX: 919-779-8135

ISAAC

SAC Brian Neil
3320 Garner Rd.
Raleigh, NC 27610
919-662-4500
FAX: 919-582-8517

BeTA Unit

SAC Elliott Smith
3320 Garner Rd.
Raleigh, NC 27610
919-662-4500
FAX: 919-582-8517

Coastal District (1)

SAC Kevin Tabron
470 Dolphin Dr.
Jacksonville, NC 28546
910-346-2121
FAX: 910-346-3661
ALE
SAC Brent Massey

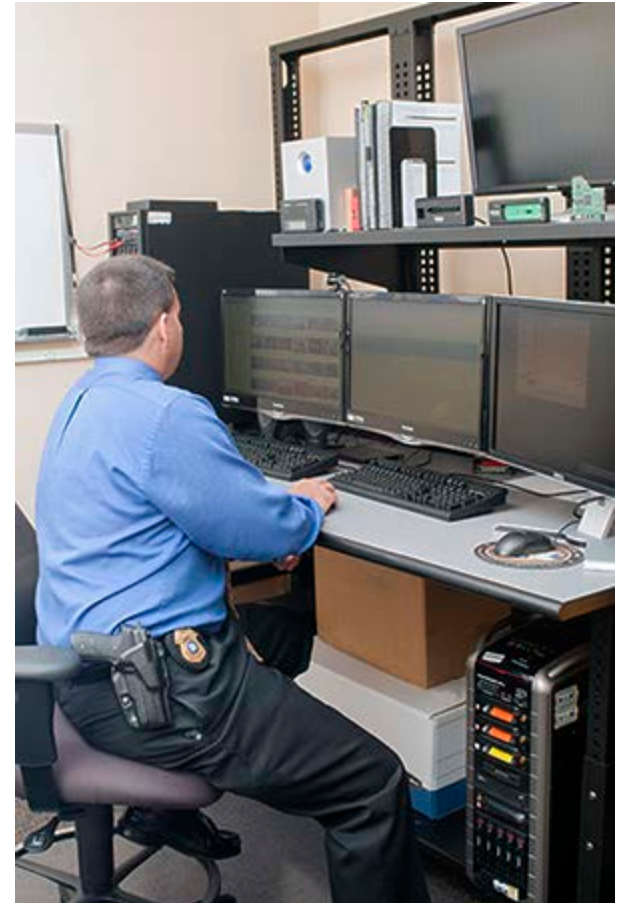


North Carolina State Bureau of Investigation

Updated: 03/062019

Field Operations: Computer Crimes

- Statewide coordination and investigation of computer and internet crimes primarily involving children
- Leads statewide Internet Crimes Against Children Task Force



Field Operations: Diversion and Environmental Crimes

- Investigates the diversion of prescription drugs by licensed healthcare professionals and others involved in the healthcare registrant field
- Coordinates Operation Medicine Drop
- Also violations of Clean Air Act, Clean Water Act, Oil Pollution and Hazardous Substances



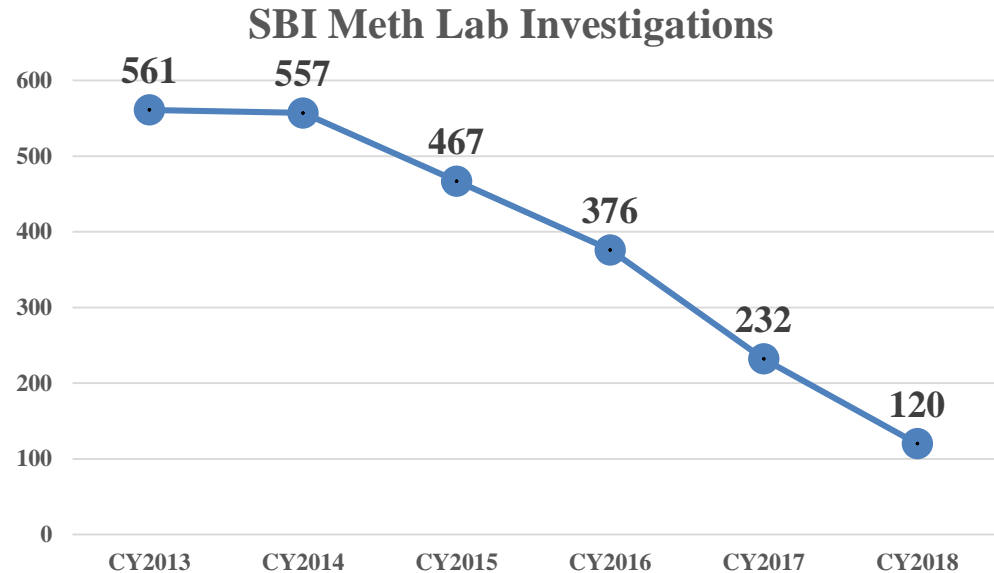
Field Operations: Fire and Arson

- SBI fire investigators determine cause of the fire (natural, accidental, intentional) as matter of primary jurisdiction, then assist local, state or federal investigators in determining the culprit
- Accelerant-detecting K-9s



Field Operations: Clandestine Labs

- Responds to illegal drug laboratories such as meth labs
- Specialized training for dealing with hazardous materials in confined environments



Field Operations: Tactical Services

- Crisis Negotiation
- Criminal Apprehension (fugitives, missing/endangered persons)
- Special Response (hostage situations, barricaded suspects)
- Surveillance
- Bombs/biological weapons/WMD



Field Operations: Financial Crimes

- Financial Crimes – complex white collar crimes – embezzlement, corporate malfeasance. Also assists other SBI agents by tracking the cash, identifying assets, and assisting with asset forfeiture proceedings.



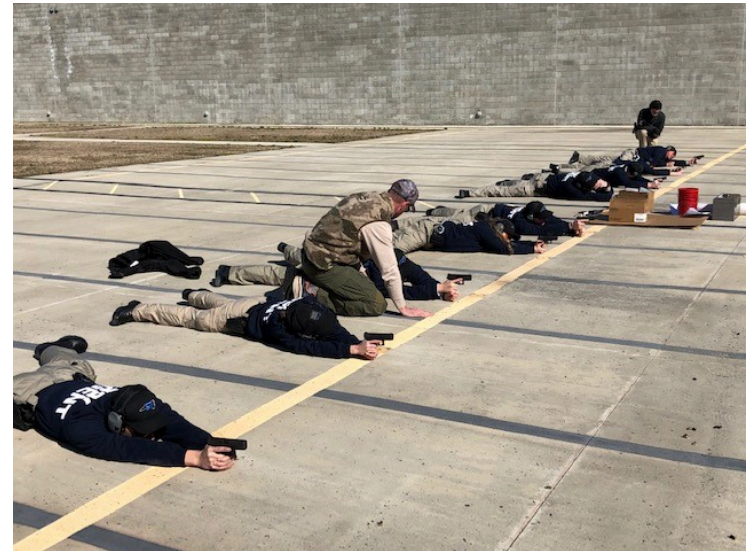
Support Services Division

- Training
- Air Wing
- Criminal Information and Identification
- Case Records Management
- Logistics, Finances, IT



Recruitment and Training

- To be an SBI Agent, recruits must:
 - Have at minimum a bachelor's degree
 - Have or obtain law enforcement certification
 - Complete background checks, psychological evaluations, other testing
 - Attend SBI Academy
- SBI Academy classes
 - 19-20 weeks, 720 Hours.
 - Includes classroom, practical instruction, firearms, physical fitness
- New agents must complete Field Training Program



Support Services: Air Wing

- Three full-time pilots
- Supports SBI personnel along with federal, state, and local law enforcement
- Transportation/deployments (special agents, witnesses, fugitive extradition, prisoners), manhunts, search and rescue, reconnaissance, aerial photography



Support Services: Criminal Information and Identification

- Background checks
- Statewide Automated Fingerprint Identification System (SAFIS)
- Division of Criminal Information Network (DCIN)
- Information Sharing and Analysis Center (ISAAC)
- Sex Offender Registry



Background Checks

- SBI conducts background checks for:
 - Employment
 - Licensure
 - Adoption
 - Concealed weapons
 - Law enforcement
- Fees charged:
 - \$38 for state and federal fingerprint searches
 - \$24 for state and federal fingerprints for law enforcement
 - \$14 for state-only fingerprints
 - \$10 for name-only searches
 - \$45 for concealed carry permits (\$40 renewal)*



Background Checks: FY 2017-18

Type of Check	Fee Charged	Searches	Receipts Generated
State and Federal Fingerprints	\$38	77,317	\$2,938,046
State and Federal Fingerprints for Law Enforcement	\$24*	40,009	\$960,216
State-only Fingerprints	\$14	13,807	\$193,298
Name-based Criminal Records Check	\$10	21,455	\$214,500
Concealed Carry Permits	\$45	66,876	\$3,009,420
Concealed Carry Renewal	\$40	84,247	\$3,369,880
<u>Total</u>		<u>303,711</u>	<u>\$10,685,360</u>

SBI: DCIN

- System that allows law enforcement to access criminal records from federal and other states' systems
- Monthly fees: \$25 for desktops, \$12 for mobile devices
- FY 2017-18: 541 agencies with 22,443 users generating \$294,596 monthly, \$3.5m annually
 - Operational costs: \$4.3m/year
 - Shortfall historically covered by lapsed salary or other available funds

ISAAC

- “Fusion Center” – collaboration between multiple law enforcement and other agencies to detect, prevent, investigate, and respond to criminal and terrorist activity
- Database and assigned personnel
- Analyze intelligence, monitor social media, other sources to identify future threats



Behavioral Threat Assessment (BETA)

- New initiative seeking pro-active approach to preventing mass violence, especially in schools or places of worship
- Works with ISAAC, Center for Safer Schools, and other resources to identify threats
- Two agents per district with BETA specialization

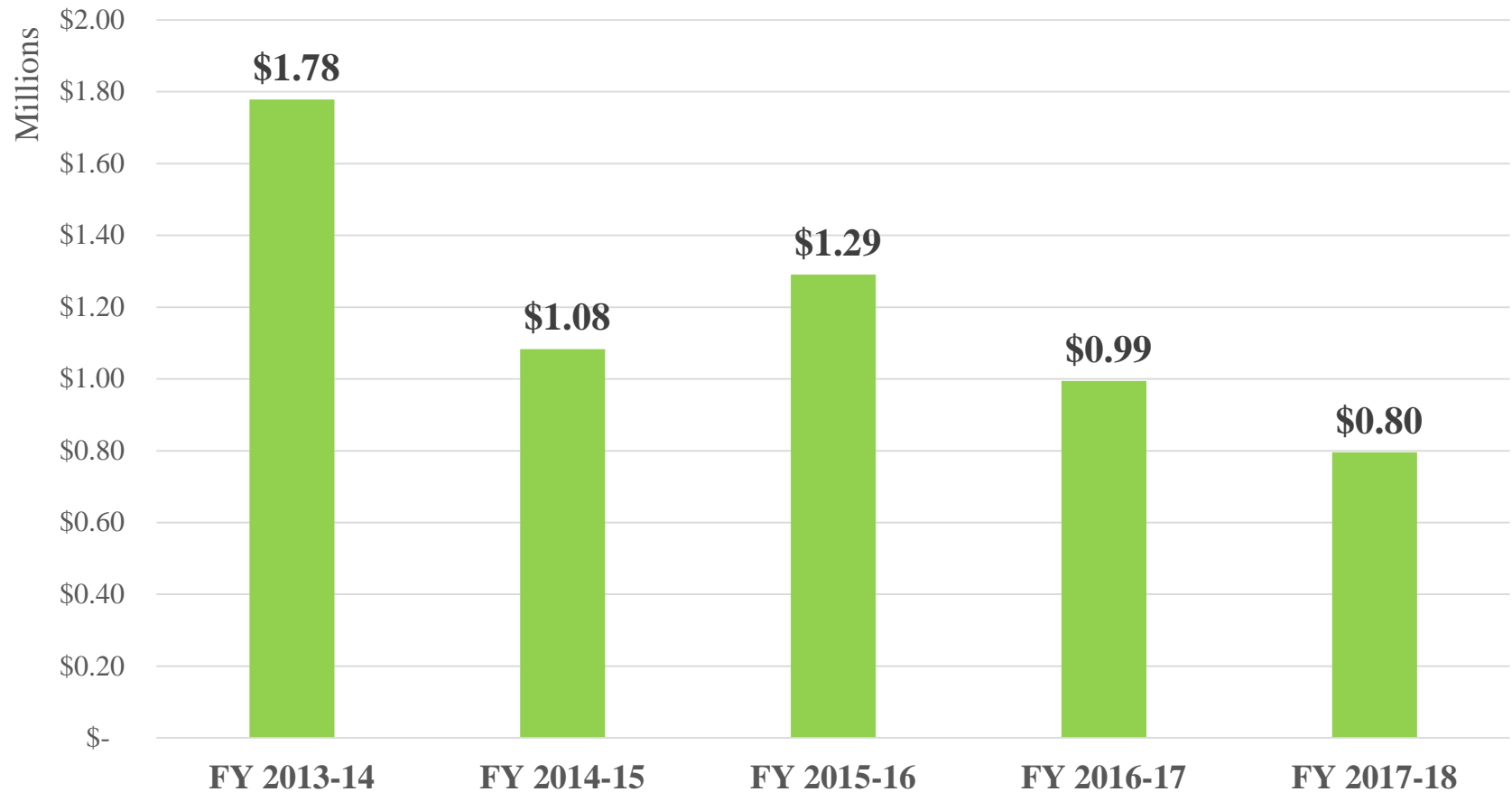
Seized Assets

- Federal programs through US DOJ and US Treasury
- Funds can be used for
 - Investigations, training, facilities, equipment, travel, other
- Funds cannot be used for:
 - Salaries, scholarships, food and beverage, hospitality suites, illegal activities



SBI Seized Assets

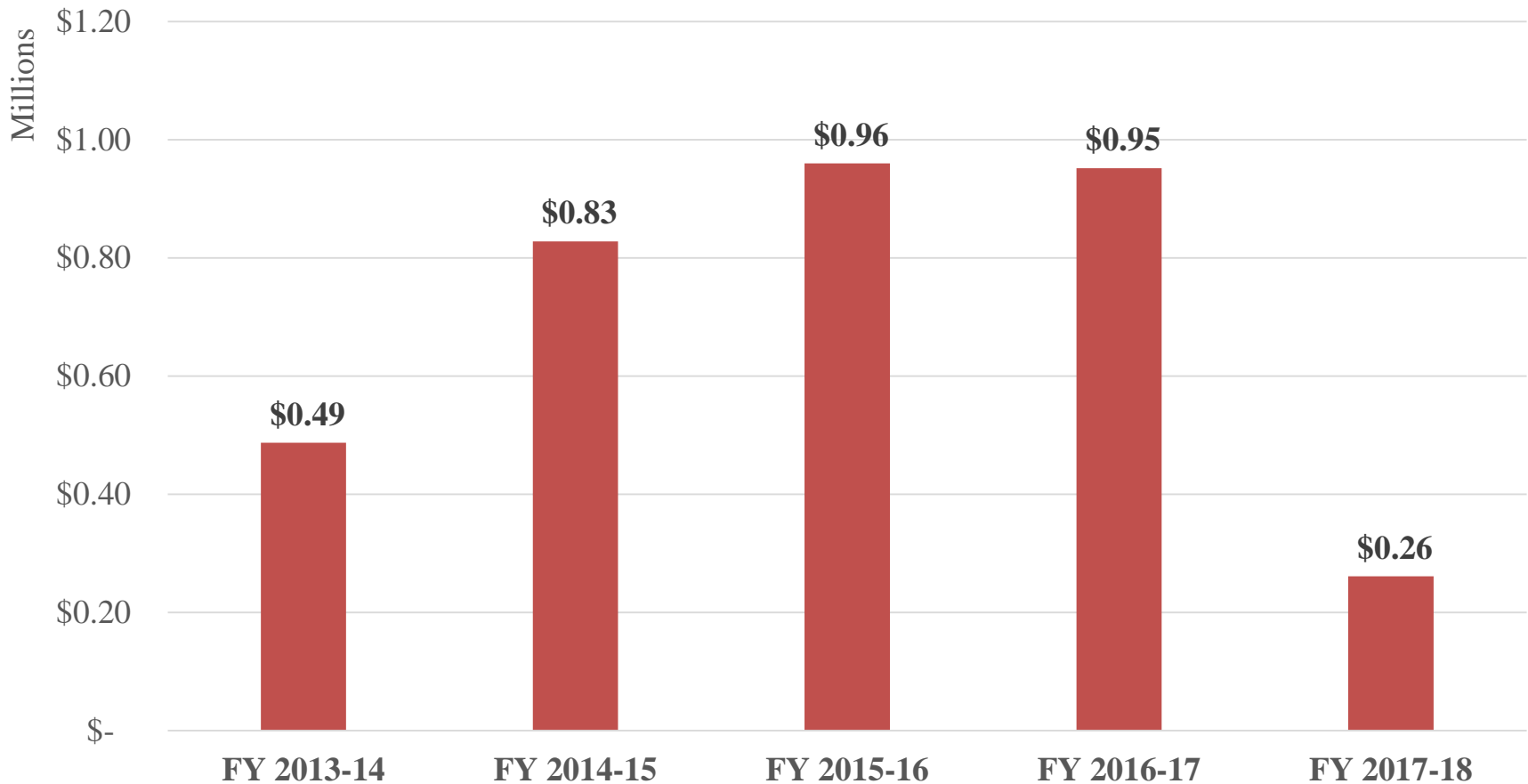
SBI Seized Asset Expenditures by Fiscal Year



Source: SBI

ALE Seized Assets

ALE Seized Asset Expenditures by Fiscal Year



Source: SBI

Alcohol Law Enforcement

ALE Base Budget by Purpose

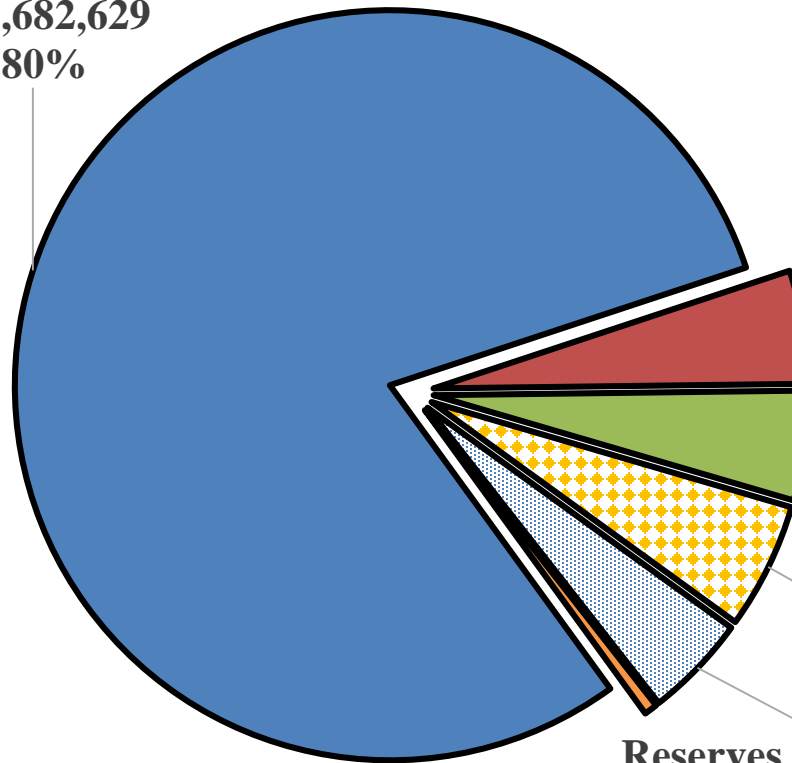
Requirements:
\$13,366,820

Receipts:
\$3,758,980

**Net
Appropriation:**
\$9,607,840

Total FTE:
122

Personal Services
\$10,682,629
80%



**Purchase
Services**
\$652,818
5%

Supplies
\$631,494
5%

Property/Equipment
\$728,583
5%

Reserves
\$76,532
1%

Other
\$594,764
4%

Source: Recommended Base Budget (Worksheet I) 02/16/19

Alcohol Law Enforcement

- Statewide jurisdiction:
 - ABC laws
 - Controlled Substances Act (Article 5, G.S. 90)
 - Lottery laws
 - Bingo
 - Gambling
 - Boxing
- 19,901 permitted establishments statewide
 - 10,582 with off-premise permits
 - 9,319 with on-premise permits



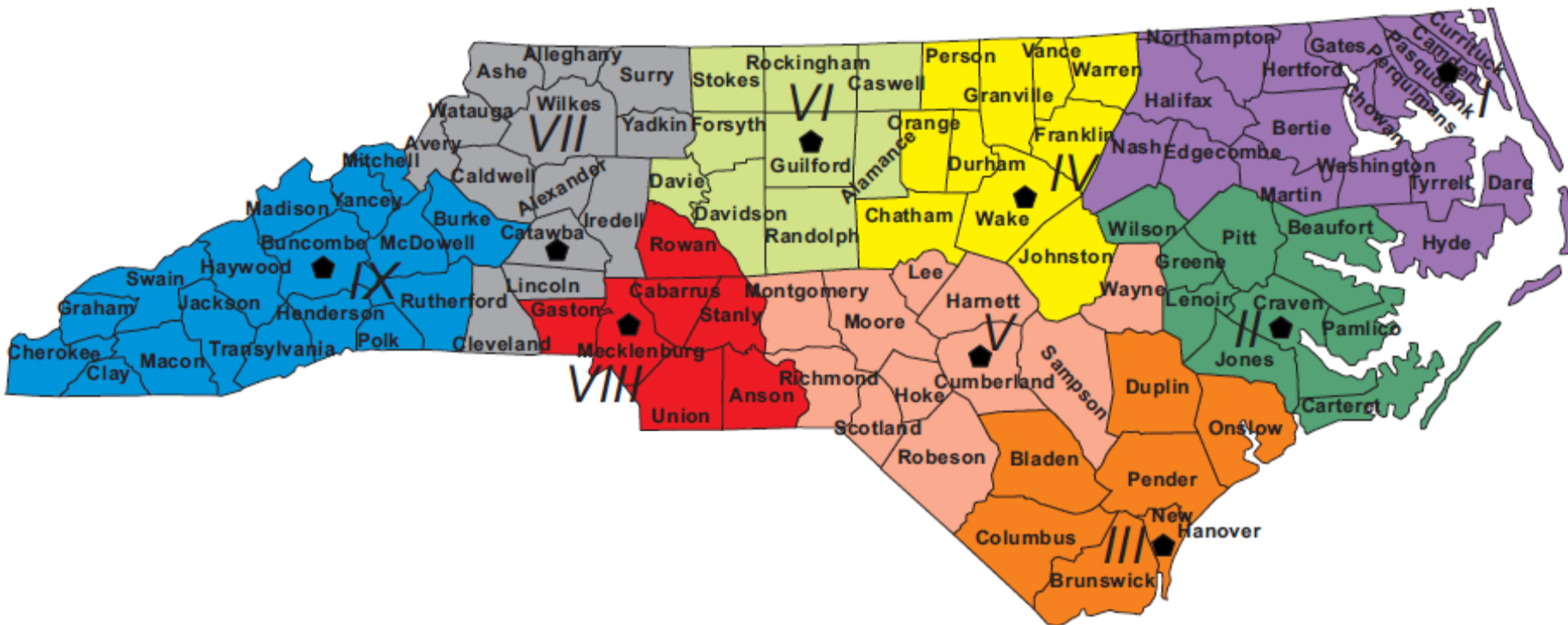
ALE Staffing

- 122 FTE
 - 109 Sworn, 13 Non-sworn administrative staff
 - 13 Special Agents in Charge
 - 15 Assistant SACs
 - 80 Agents
- Nine district offices



Alcohol Law Enforcement

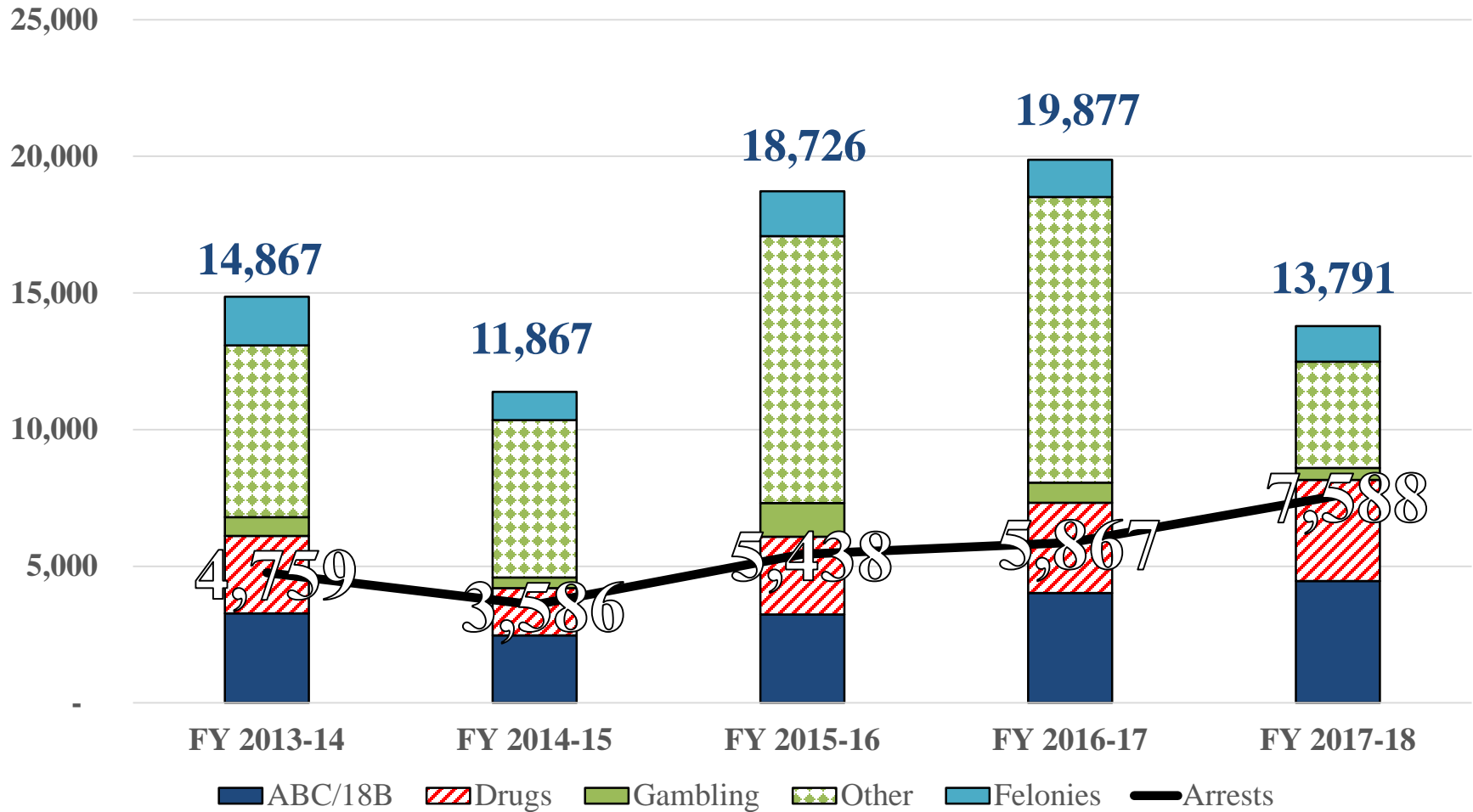
ALE District Offices



Source: DPS

Charges and Arrests

ALE Charges and Arrests

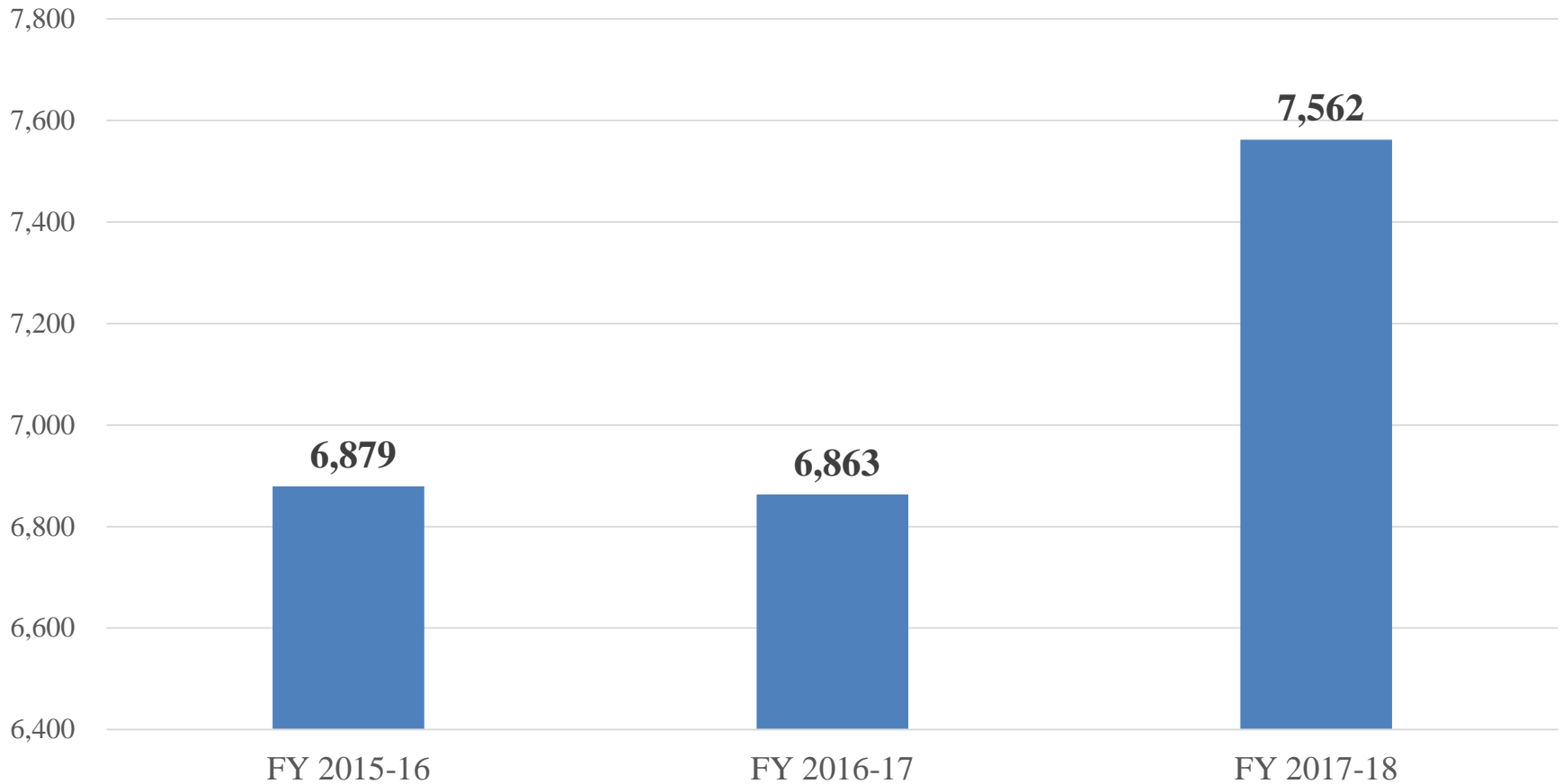


ALE Receipts

- ALE receipts include:
 - Boxing Fees, including operating licenses and official licenses (~\$280k in base budget)
 - Bingo Permits (\$122k in base budget)
 - Restitution (\$12k in base budget)
 - Federal contracts/MOUs for youth tobacco enforcement (~\$1m)
 - NC Education Lottery Fund transfer for enforcement (\$2.1m)

Lottery Enforcement

Lottery Permits



Recent Budget Actions

- 2017 Budget – SBI
 - Eliminated 5 vacant positions (+12 months)
 - \$500,000 (R) for special investigations, inc. undercover drug purchases and phone records
 - \$1m (NR) for equipment and surveillance tools
- 2017 Budget – ALE
 - None

Recent Budget Actions

- 2018 Budget – SBI
 - None
- 2018 Budget – ALE
 - None
- 2019 Governor's Proposed Budget includes:
 - \$800,000 (R), 9 FTE
 - Covers both new positions and/or salary increases
 - Focus on opioids, gangs, computer crimes, and human trafficking

Questions

