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*Minnesota Department of Natural Resources
Division of Enforcement*

*Special Investigations Unit
2001 Legislative Report*

February 2002

— 1989 Minn. Laws Chap. 335
— Art. 1 Sec. 21

The Minnesota Department of Natural Resources, Division of Enforcement is directed by MS Chapter 335, Article 1, Section 21, Subdivision 8, to submit an annual financial report of funds expended by its Special Investigations Unit. This legislation was passed by the 1989 regular session of the seventy-sixth Minnesota Legislature. Pursuant to this requirement the following report is submitted to the House Appropriations Committee and the Senate Finance Committee.

SUMMARY

In fiscal year 2001, the Minnesota Department of Natural Resources, Division of Enforcement, Special Investigations Unit (SIU) accounted for the disbursement of approximately 2% of the Division's budgetary allotment. The Special Investigations unit conducted operations utilizing three (3) full time investigators, eight (8) part time covert Conservation Officers, and one (1) full time clerical position.

SPECIALIZED TRAINING

The Special Investigations Unit cosponsored the annual North American Technical Investigators training seminar held in Bloomington, Minnesota. Two MN DNR Special Investigators developed classroom curriculums, assisted with logistical support, and provided specialized instruction to more than 100 Midwest criminal investigators. The five (5) day seminar placed emphasis on the newest surveillance systems technology, legal updates, and overt investigative strategies. Attendees received valuable "hands on" instruction relating to the construction and maintenance of audio and visual covert camera systems.

Two Special Investigators attended the annual Tri- State Conservation Officer training session held in Southwest Minnesota. They provided uniform officers from Iowa, South Dakota and Minnesota with technical expertise concerning stationary electronic surveillance systems. Attendees were provided direction concerning system installation, troubleshooting and legal guidelines.

Three Special Investigators attended the annual Midwest Covert Investigators Conference sponsored by the Missouri Department of Conservation. During this four-day training seminar, undercover officers dealt with strategic issues concerning wildlife commercialization. Instruction placed emphasis on: emerging trends of illicit wildlife trade, specialized equipment, legal updates, and case management. Investigators shared intelligence and initiated action plans to address concerns.

Two Conservation Officers serving as part time investigators attended the annual International Association of Marine Investigators training sessions. This training traditionally provides valuable insight into the complexities of recreational vehicle crime and allows attendees to share intelligence information and identify trends in criminal activities. This information is then presented to state, county, and local law enforcement agencies.

ENFORCEMENT ACTIVITIES

Enforcement activities conducted by the Special Investigations Unit during the fiscal year 2001 included but were not limited to the following:

- The prosecutorial phase of a three-year undercover operation in Wisconsin was initiated. During this cooperative effort, the MN SIU infiltrated a sophisticated big game poaching ring and documented the illegal taking and subsequent commercialization of five protected species. Formal charges have been filed with more than fifteen (15) individuals pleading guilty to major violations of state law. These include: the illegal taking and transportation of black bear, sale of bear parts, illegal taking and transportation of trophy whitetail deer, bobcats, turkey, and ruffed grouse. Follow up investigations have also documented more than \$8000 in sales of protected species to an Illinois gift shop. Formal charges are forthcoming. To date, Fines and restitution in excess of \$25,000 have been collected, license revocations exceeding twenty (20) years have been invoked and trophy specimens of the aforementioned species were confiscated. Plea agreements continue to be negotiated on major violators.
- An extensive covert investigation involving the unlicensed activities of North Dakota small game guiding operations was concluded. The North Dakota Game and Fish Department, lacking an established covert investigative unit, formally requested the MN DNR Special Investigations Unit to assist with all facets of an undercover operation. During the fall months of 2001, Minnesota operatives booked hunts with twelve (12) unlicensed commercial operations advertising guided pheasant hunts. Agents were able to document major violations associated with nine (9) operations. In addition, follow up covert contacts documented the illegal taking and transporting of big game animals, the illegal sale of protected fur bearing animals, and the borrowing of big game licenses. Federal and state charges have currently been filed on more than twenty (20) co-conspirators to the wildlife crimes.
- The SIU concluded a two-year covert investigation relating to the unlawful sale of walleye, northern pike, and white tail deer. During this operation, a Special Investigator made several controlled purchases of wildlife from an individual convicted of similar crimes ten years ago. Formal charges have been filed with plea agreements currently being negotiated.
- The prosecutorial phase of a two-year cooperative covert investigation was initiated. The operation involved the illegal taking, sale and subsequent interstate transportation of protected game and fish. During this operation, Special Investigators from the MN Special Investigations Unit and the Montana Department of Fish, Wildlife and Parks Division (MTFWP) observed and covertly documented more than one hundred wildlife violations committed by residents of Minnesota, North Dakota, and Montana. Since 1996, these hunters have knowingly and repeatedly violated MT State Law, MN State Law, Leech Lake Indian Tribal Law, the federal Lacey Act, and the Migratory Bird Treaty Act (MBTA). Federal indictments have been handed down on three conspirators.

State prosecutions have been initiated on seven (7) additional defendants

- The Special Investigations Unit is currently conducting two additional multi-state investigations. The status of these operations is classified and still highly sensitive.
- During this fiscal year, Special Investigators supported field level operations by:
Installing and monitoring two (2) stationary video surveillance systems.

This highly effective method of crime detection has previously resulted in several successful prosecutions, is cost effective, and has diminished the need for officers to physically witness illegal activities as they occur.

- Receiving, reviewing and analyzing more than 1100 licensed game farm annual reports. Inconsistencies in reporting, late reporting, and unlicensed operations were identified and referred to uniform field officers for further investigation

Fifteen (15) additional operations involving unlawful natural resource commercialization were initiated and are currently in various stages of investigation. Multiple suspects are included within each operation. During the fiscal year, the SIU attained a 100% conviction rate of those defendants formally charged.

Five (5) license fraud investigations were conducted for out state natural resource law enforcement agencies

The Special Investigative Unit received, reviewed, and analyzed reports associated with the following commercial activities:

1076	Game Farm Operators
48	Raw Fur Dealers
14	Raw Fur Tanners/Dressers
185	Bear Guides
1338	Minnow Dealers
77	Private and Commercial Shooting Preserves

2738 **TOTAL COMMERCIAL LICENSES**

The Special Investigations Unit assisted many federal and state, and local law enforcement agencies by providing specialized equipment and technical expertise to their criminal investigations.

ADMINISTRATION

The Unit has continued to incorporate commercial license reporting into a valuable data base system. This process provides an effective tracking mechanism to ensure year end reporting has been completed and has resulted in a valuable intelligence gathering tool. During this reporting period, the Special Investigations Unit identified more than 250 game farm operators and 30 licensed bear guides delinquent in submitting their annual reporting. Specifics concerning those operations were distributed to uniformed Conservation Officers for follow up overt investigations.

The Special Investigations Unit conducted an in depth analysis of cervid game farm operations. With disease outbreaks of Chronic Wasting and Tuberculosis nearing Minnesota's borders, efforts were undertaken to ensure those commercial operations specializing in white tail deer met state and federal law. Annual records were analyzed covering a two-year license period. Violations of delinquent reporting, inaccurate inventories and failure to submit the proper receipting were detected in more than 300 operations. Action plans are being developed and will be coordinated with uniformed Conservation Officers. This plan will include aspects of inspection, education and enforcement.

The Special Investigations Unit administered the Division's forensic research and testing program. During the past year, 45 samples associated with securing of evidence in criminal cases were transferred from the Unit to University of Minnesota pathobiologists and USFWS laboratories for forensic analysis. In addition, pocket guides identifying the legal process for evidence collection and processing were distributed to field staff throughout the state.

The Unit maintains the Divisional statewide intelligence section. Information is collected and computerized in a central repository and disseminated to field level Conservation Officers and other law enforcement agencies when appropriate.

The Special Investigations Unit Clerical Support continues to coordinate the Divisional statewide pager system. Cost analysis, purchases, software, and troubleshooting are responsibilities accepted by the Unit.

Throughout the year, the SIU provided administrative and interview assistance to field level Conservation Officers on countless occasions.

**Minnesota Department of Natural Resources
Division of Enforcement
Special Investigations Unit**

FINANCIAL REPORT - FISCAL YEAR 2001

LINE	DESCRIPTION	ALLOCATION	EXPENDITURE
1	Full-time Salaries	\$269,610	\$269,610
2	Overtime Pay	26,229	26,229
	*Other Benefits	150	150
	Subtotal	\$295,989	\$295,989
3	Rents and Leases	1,831	1,279
4	Repairs, Alterations	2,284	1,420
5	Printing	500	0
6	Professional & Technical	15,000	15,000
7	Computer & System Services	1,338	1,338
8	Purchased Services (Claims)	10,400	10,400
9	Communications	6,162	5,140
10	Travel	3,300	2,241
12	Employment Development	2,378	2,378
	Subtotal	\$43,193	\$39,196
11	Supplies and Materials	3,898	3,733
13	Equipment	24,078	24,078
	Subtotal	\$27,976	\$27,811
	TOTAL	\$367,158	\$362,996

*Uniform costs

<u>LINE</u>	<u>DESCRIPTION</u>	<u>EXPENDITURE</u>
1	(2-NR Spec III, 1- NR Spec IV, 1-Support Staff) (Unclassified and temporary assignments)	\$269,610
2	Overtime Pay	26,229
	Other Benefits (Uniform Allowance)	150
3	Rents and Leases (Maintenance contracts, parking cards for state vehicles, contracts for equipment)	1,279
4	Repairs (Equipment)	1,420
5	Printing	0
6	Professional and Technical Services (Laboratory costs and scientific research for the testing and verification of Divisional evidence)	15,000
7	Computer and System Services	1,338
8	Purchased Services and Claims, fines, etc. (Seminars, film processing, aircraft, meeting rooms and Funds dedicated for the purchase of evidence associated costs of commercial resource investigations)	10,400
9	Communications (Telephone charges, cell phones, pager rental, etc.)	5,140
10	Travel, In and Out State (Expenses incurred for intelligence sharing, training, etc.)	2,241
11	Supplies and Materials (Gasoline, audio/video tapes, batteries, office supplies, etc.)	3,733
12	Employment Development	2,378
13	Equipment	24,078
	TOTAL	\$362,996

ANTICIPATED FISCAL YEAR 2002 EXPENDITURES

<u>LINE</u>	<u>DESCRIPTION</u>	<u>ALLOCATION</u>
1	Full-time Salaries	\$285,252
2	Overtime Pay	25,135
3	Rents and Leases	2,000
4	Repairs, Alterations	6,500
5	Printing	500
6	Professional and Technical Services	15,000
7	Computer and System Services	525
8	Purchased Services (Claims, fines, etc.)	25,600
9	Communications	9,300
10	Travel In-State	3,300
11	Supplies and Materials	5,700
12	Employee Development	1,200
13	Equipment	15,000
	TOTAL	\$395,012

