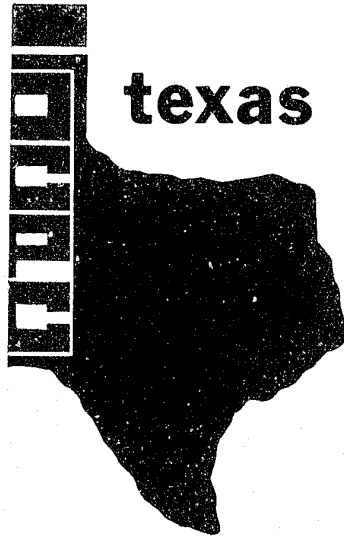


1977 ANNUAL REPORT

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**texas organized crime
prevention
council**

1977
ANNUAL
REPORT



**texas organized crime
prevention
council**

STATE OF TEXAS/ORGANIZED CRIME PREVENTION COUNCIL

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ATTY. GEN. JOHN HILL
Austin

COL. WILSON E. SPEIR
Austin

EXECUTIVE DIRECTOR
RAPH L. BOWMAN



DOLPH BRISCOE
GOVERNOR

COUNCIL MEMBERS

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MR. ALFREDO GONZALEZ
Edinburg

HON. DAN SAUNDERS
Stanton

HON. MIKE SULLIVAN
El Paso

HON. CAROL VANCE
Houston

The Honorable Dolph Briscoe
Governor of Texas

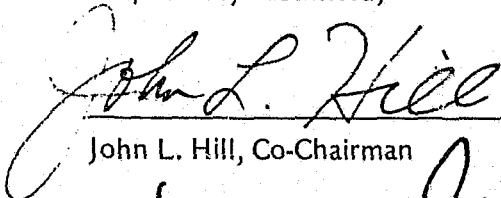
Dear Sir:

In accordance with the instructions contained in the Executive Order of April 28, 1975, which established the Texas Organized Crime Prevention Council, we respectfully submit the Council's 1977 Report on Organized Crime in Texas.

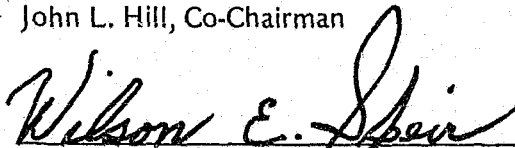
We believe that organized criminal activities continue to be a major problem in Texas. Though law enforcement efforts in this area of concern have been significant in the past, continued support of current enforcement programs must be maintained and emphasis must be placed on the development of new law enforcement strategies to combat organized crime. In addition, the Council believes that the private citizen must be better informed and become more involved in the criminal justice efforts to eradicate these criminal activities.

The Council believes that the findings of this report reveal only a small portion of a mounting social problem. Immediate legislative and administrative action should be initiated to combat this problem and end its further encroachment into the State.

Respectfully submitted,



John L. Hill, Co-Chairman



Wilson E. Speir, Co-Chairman

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1977

ANNUAL REPORT

OF THE

TEXAS ORGANIZED CRIME PREVENTION COUNCIL

I. BACKGROUND

Creation of Council

The original idea for a state organized crime prevention council was formally introduced in the United States Congress on June 29, 1967, as Amendment Number 223 to the Senate version of what would become the Omnibus Crime Control and Safe Streets Act of 1968. Specifically, the Amendment was intended to provide "*...federal financial assistance for the purposes of developing State plans to combat organized crime, establish or support State and local organized crime enforcement agencies and establish systems for organized crime intelligence centers.*" Acting under the direction of this Section, former Texas Governor Preston Smith created the Texas Organized Crime Prevention Council (TOCPC) by Executive Order on March 7, 1970.

The Council's purpose was further strengthened by a subsequent Executive Order issued April 28, 1975, by the Honorable Dolph Briscoe, Governor of Texas. In his Executive Order, the Governor mandated the Council to "*...develop a comprehensive plan for the suppression of any organized crime existing in Texas...to prevent its further encroachment in the State...and...to coordinate the activities of all law enforcement and prosecuting agencies in the State in the implementation of a comprehensive organized crime control program in the State of Texas.*"

COUNCIL MEMBERS AND STAFF

The Council consists of nine members appointed by the Governor and co-chaired by the Texas Attorney General and the Director of the Texas Department of Public Safety. These nine Council members represent State and local law enforcement and prosecutory agencies from throughout Texas. Present members include:

Colonel Wilson E. Speir, Co-Chairman
Director, Texas Department of Public Safety

John L. Hill, Co-Chairman
Attorney General of Texas

Donald A. Byrd
Chief, Dallas Police Department

Porfirio L. Flores
Former Sheriff, Webb County

Alfredo C. Gonzalez
Director of Public Safety, Edinburg

Dan J. Saunders
Sheriff, Martin County

Mike Sullivan
Sheriff, El Paso County

Ken Clapp
Executive Assistant to the Governor of Texas

Carol Vance
District Attorney, Harris County

In addition to the Council, the 1975 Executive Order allowed for a permanent Staff which would assist the Council in its functions. With financial assistance from the Governor's Criminal Justice Division, the Council currently maintains a five member Staff. At the conclusion of 1977, the Staff consisted of the following members:

Ralph L. Bowman	—	Executive Director
G.K. Maenius	—	Program Coordinator
Victor E. Solis, Jr.	—	Program Coordinator
Nadia Bice	—	Administrative Assistant
Doris E. Cole	—	Administrative Secretary

The Council is responsible for developing long and short range organizational goals and for providing general direction and guidance to the Staff and Operating Committee. It exists as a problem identification and final approval entity in that it identifies problems which must be addressed in order to develop a State plan to control organized crime and, in turn, forwards these identified problems to the Council's Staff and Operating Committee.

The Operating Committee, chaired by the Executive Director and assisted by his Staff, is composed of law enforcement and prosecutive officials from throughout the State. The Operating Committee serves to clarify the identified problem and break it into various components which are in turn assigned to one or more of its four subcommittees. The Operating Committee's four subcommittees consist of: 1) Public Education, 2) Legal and Legislative, 3) Personnel, Training and Equipment, and 4) Intelligence. It is at the subcommittee level that the problem, first identified by the Council, is thoroughly explored and possible solutions are developed.

Once all available options are identified and refined, they are forwarded to the Executive Committee, composed of the chairmen of the four subcommittees, which serves as a screening body prior to the options being presented to the full Council. All recommendations from the subcommittees, which the Executive Committee feels have undergone the maximum possible refinement, are forwarded to the full Council for their consideration.

Recommendations approved by the Council are either scheduled for inclusion in the Council's Annual Report to the Governor on Organized Crime, or forwarded immediately to the Governor, dependent upon the extent of the urgency. Throughout the above described procedures, the Executive Director and the Staff serve to provide coordination, research, and other resources as necessary to aid the Council and its committees in their work.

II. ORGANIZED CRIME IN TEXAS

An assessment of any problem is only as accurate as the information from which the assessment is drawn. In the analysis of organized crime activities occurring in Texas during 1977, there does not exist a sufficient amount of retrievable data available to measure either the amount or the impact of these activities within the State. The Council has utilized data from basically three different sources in compiling this section. These sources include: 1) reports submitted by local and regional organized crime control units;¹ 2) information supplied by the Texas Department of Public Safety; and 3) data retrieved from newspaper clippings, past Council reports, and the Peat, Marwick, Mitchell and Company (PMM&Co.) study entitled, "Organized Crime in Texas: 1976." (The PMM&Co. study has been the most in-depth analysis of the extent of organized crime in Texas to date. Though the data contained within this study detailed the extent of the organized crime problem during 1976, the Council believes that this problem's extensiveness still prevailed during 1977 and that the information contained within the PMM&Co. study is still valid at the present time.)

The information received from these sources comprises only a fraction of the data which would be necessary for a more detailed analysis of the problem. This lack of data does not reflect a decrease of organized criminal activities. Rather, the data reflects only the "tip of the iceberg" of a growing crime problem in Texas. In order to develop a more detailed picture of the entire problem, a data collection process must be developed which will draw this needed information from all levels within the State and make it readily accessible for analysis purposes.

The Texas Organized Crime Bill of 1977 has provided law enforcement with a definition of organized crime activities and has set out penalties for those participating in these activities. The Bill establishes that "*a person... (engages in organized criminal activity)... if, with the intent to establish, maintain, or participate in a combination (5 or more persons) or in the profits of a combination, he commits or conspires to commit... (a variety of specified crimes).*" The following sections will provide a summary of those illegal activities which are associated with organized criminal operations. For the purposes of this report, these offenses will be limited to those identified by the PMM&Co. study, by the Texas Department of Public Safety, and by local organized crime units as being present in various parts of the State. These include illegal drug traffic, gambling, the fencing of stolen merchandise, prostitution, pornography, and other organized criminal activities.

¹ See Appendix for a list of reporting units.

ILLEGAL DRUG TRAFFIC

The trafficking of narcotics and dangerous drugs continues to be the most predominant form of organized criminal activity in Texas. The use of heroin, cocaine, marijuana, and non-narcotic drugs has steadily increased in the United States, and Texas continues to be utilized as the major transportation and distribution center for these drugs. A recent newspaper article has quoted the U.S. Drug Enforcement Administration (DEA) spokesmen as stating that over 60 per cent of the narcotics and marijuana used in the United States is trafficked through Texas.

The major cause of Texas' involvement in drug trafficking is the State's large geographic area and its proximity to Mexico. Mexico and South America supply a very large percentage of the heroin, cocaine, and marijuana used in the United States. Because of the vast land areas of Texas which border Mexico and the lack of adequate drug enforcement in these areas, it is relatively safe and highly profitable to smuggle large quantities of drugs into Texas. Once the drugs have entered Texas, they are either shipped to other states or distributed locally. The PMM&Co. study states that *"law enforcement officials estimate that between 400 and 500 major drug dealers are importing narcotics into the State to as many as 5,500 local distributors. These distributors, selling through street dealers, account for a volume of drug trafficking estimated at between \$700 Million and \$1.1 Billion annually."*

The level of enforcement activities has increased in an effort to curb the rising level of drug traffic from Mexico. This is evidenced in that State and local law enforcement agencies reported 60,211 drug related arrests during 1977. These arrests include all drug offenses, ranging from possession of marijuana to sale of heroin. They do not include those arrests which were made by Federal law enforcement agencies operating within the State.

The increased enforcement activities have caused drug traffickers to utilize alternate means to smuggle contraband into Texas. A recent San Antonio newspaper article states that, *"narcotics peddlers...have been making heavy use of seafaring boats to bring their dope into the United States."* DEA spokesmen state that this change in smuggling methods from cross-country land smuggling to smuggling by marine vessel has been caused by the increased State, local, and Federal enforcement efforts along the Texas-Mexico border. Though the smuggling method utilized may vary, there is no data available which indicates that the level of smuggling has decreased in Texas.

GAMBLING

Because of its high profits and low risks, gambling remains a major organized criminal activity in Texas. According to available information, gambling activities have increased in Texas during 1977. These gambling activities include sports wagering (bookmaking), numbers and lotteries, coin device gambling, casino-type gambling, and bingo games sponsored by various organizations. The PMM&Co. report states that as much as \$975 Million dollars is wagered annually on all types of gambling; however, a majority of this amount (93 per cent) was wagered on sports events.

Gambling activities are widespread and located in all sections of the State. However, the highest concentration of gambling activities was found in the major metropolitan areas. Both the Houston/Harris County and Dallas metropolitan areas reported a large amount of gambling activities. Though the style of gambling varies slightly from area to area, all metropolitan areas reported a concentration of major bookmaking operations.

During 1977, there were 3,365 gambling arrests made in Texas. Of these gambling arrests, only 34 were made for bookmaking operations, while the remaining arrests were for numbers, lottery, and other gambling activities. With bookmaking being the major form of gambling activity in the State, the lack of arrests for this type of gambling indicates that current law enforcement efforts to control gambling are ineffective. The PMM&Co. study confirmed previous reports that bookmakers in Texas receive betting lines and other pertinent advance information from other parts of the State and across the country. It was the conclusion of those investigators interviewed that the telephone is utilized extensively by bookmakers in Texas, that bets are placed directly with bookies approximately 85 per cent of the time, and that almost all of this gambler-bookmaker contact occurs via telephone. Currently, State and local law enforcement officers are denied the use of wiretap techniques to control and suppress these gambling activities. It is believed that, without the wiretap tool, enforcement will continue to be ineffective in the future.

During 1977, increased interest had developed over the legalization of certain types of gambling. This issue has become so controversial that a proposed referendum which would allow for pari-mutuel betting in Texas has been drafted and will be placed on the 1978 State election ballot. Many people believe that through legalizing pari-mutuel betting, State revenues would be increased and illegal gambling suppressed. However, the Commission on the Review of the National Policy Toward Gambling has stated that, *"participation in illegal gambling is greater in states where legal gambling is permitted than in states where it is not. It follows that the two major goals of legalized gambling--revenue raising and crime control--are virtually incompatible."* This fact has been more recently reconfirmed by an LEAA funded study conducted by the University of Massachusetts' Center for Survey Research and the Joint Center for Urban Studies of the Massachusetts Institute of Technology and Harvard University.

FENCING OF STOLEN MERCHANDISE

Fencing operations are the key link in the conversion of stolen property to money. Without this necessary link, organized theft rings and drug addicts who steal to support their habit would soon be out of business. Fencing activities continue to exist in all parts of Texas, though increased law enforcement efforts have become more successful in their suppression. In addition, legislation passed by the Texas Legislature during the 1977 Regular Session has greatly assisted law enforcement in the recovery of stolen property and the prosecution of violators.

During 1977, there were 1,375 reported arrests of persons buying, receiving, or possessing stolen property. This reflects a 61 per cent increase in arrests over 1976. The value of property recovered by those units reporting to the Council exceeds \$9.3 Million dollars. The total value of property stolen in Texas during 1977 exceeded \$328 Million, with law enforcement agencies recovering stolen property worth \$177 Million during the same period.

One unit's accomplishments are noteworthy due to its particular style of operation. The unit was known as the Dallas Sting and operated for six months in Dallas County. The unit established a "front business," known as Trend Associates, which began buying stolen property in January, 1977, and continued to operate until July. Spending \$63,500, the unit was able to recover \$2,161,142 in stolen merchandise. The six month operation resulted in the clearing of 122 cases and the prosecution of 68 persons.

PROSTITUTION

Prostitution continues to exist in almost all metropolitan areas within the State. Though the exact number of prostitutes operating in Texas is unknown, the PMM&Co. study suggests that the amount could be as high as 4,500 prostitutes working for organized operations alone. The DPS reports that during 1977 State and local law enforcement agencies made 5,672 arrests for prostitution and other commercialized vice. The Dallas Police Department reported 1,335 arrests for prostitution alone. The regional organized crime units also reported a significant number of known pimps and prostitutes in the Houston, Corpus Christi, Austin, and Killeen/Temple areas.

Though street walking is still the most common form of prostitution, an increasing amount of prostitution activities has been connected with massage parlor operations. Prostitutes, employed as masseuses, make contact with potential clients at the massage parlors. Though solicited at the parlor, the trick usually occurs at a different location. Because of this style of operation, it has been difficult for law enforcement to determine if massage parlors are operating in conjunction with the prostitutes or if the prostitute is operating independently.

One means utilized to control prostitution at massage parlors has been the use of local ordinances controlling these businesses. Though municipalities have utilized these ordinances for several years, it was not until 1977 that the Texas Legislature granted county governments the authority to pass ordinances which regulate massage parlors that lie outside the incorporated areas of a county. Through the use of these local ordinances, city/county governments can regulate the licensing of masseuses/masseurs; establish massage parlor business hours; restrict massages to masseuses/masseurs and customers of the same sex, and establish employee dress codes. Those jurisdictions which have implemented this type of ordinances have reported a decrease in prostitution activities at parlors within their respective jurisdictions.

Organized operations have been identified which include the traveling of prostitutes into different sections of the State for conventions, major sporting events and other major events, as well as traveling circuits of prostitutes that visit cities in Texas with military bases. The PMM&Co. study concludes that as much as \$137 Million dollars is spent annually for prostitution activities.

PORNOGRAPHY

The pornography industry continues to flourish in Texas, and has become a major community concern in most metropolitan areas. Printed materials, such as books, magazines and photographs, are the most widely distributed form of pornography, compared to the distribution of pornographic films and sexual paraphernalia. The PMM&Co. study states that the pornography industry grosses as much as \$41.7 Million annually in Texas.

Law enforcement's efforts to control the pornography industry have been hampered by public apathy, lack of aggressive prosecution (except in a few noteworthy metropolitan areas), and inconsistent court decisions. In spite of this, pornography related arrests increased during 1977, with the Greater Dallas Area Organized Crime Task Force alone reporting 2,017 arrests.

In addition to criminal sanctions to control pornography, several metropolitan area district attorney's offices have also utilized civil sanctions. The Dallas and Harris Counties District Attorney's Offices, as well as others, have begun petitioning for permanent nuisance injunctions against establishments with a history of obscenity convictions. Though sometimes questioned as to their constitutionality, these injunctions have recently been sanctioned by the 5th U.S. Circuit Court of Appeals. Undoubtably, this type of civil injunction will be used to a greater extent by other district attorneys throughout the State in the future.

OTHER ORGANIZED CRIMINAL ACTIVITIES

Organized crime is not confined to a neatly defined set of offenses. Some organized activities may be more obvious, more visible and, as a result, more measurable. By the same token, there are a number of activities which are not normally associated with organized crime, but are in fact organized criminal activities. Additional activities which law enforcement agencies and other professional groups associate with organized crime include:

Motor Vehicle Theft

The organized thefts of motor vehicles are increasing within the State. Intelligence reports confirm the link of Texas to other states and Mexico in international vehicle theft rings. It is estimated that at least 20 per cent of all vehicles stolen in Texas can be attributed to well organized groups. In addition, there is evidence that the theft of heavy construction vehicles is increasing and that these vehicles are being sold either out-of-state or in Mexico for only a fraction of their original cost.

Arson

An increased incidence of arson has been reported in Texas during the past three years. Once only a minor fire concern, arson is now a major and frequent property crime. The insurance industry reports that as much as 40 per cent of their annual claims for incendiary damages can be attributed to arson. Fire marshals in several major metropolitan areas within the State also credit arson as being utilized by individuals to eliminate business competition and to cover up or destroy evidence of other crimes.

Cargo Theft

The PMM&Co. study reports that a minimum of 1 per cent to 2 per cent of all goods imported into the State at major ports and air terminals are routinely diverted and fenced illegally. Based on the value of trade imports into the State, this would place the dollar volume of this activity at over \$76 Million annually.

Smuggling

Because of Texas' geographic location adjacent to Mexico and its vast unpopulated border area, the smuggling of contraband across the Texas-Mexico border is extensive. In addition to narcotics, other major items smuggled include liquor, cigarettes, precious metals and jewels, guns, ammunition, and other valued commodities. Though data was not available to determine the exact value of this contraband, its value has been placed well into the millions of dollars.

Insurance Fraud

The major portion of casualty frauds committed in the State are indicated to be: 1) false claims for Workmen's Compensation, 2) staged motor vehicle accidents, 3) "slip and fall" artists, and 4) arson. Though data pertaining to arson has been previously cited, there was no conclusive data available to determine the extent, or monetary amount, of these other cited insurance frauds.

Securities Fraud

Fraudulent schemes involving securities have increased over the past five years in Texas. The Texas Securities Board has identified the major types of these frauds as being:

- Schedule D Oil Company Investment Frauds
- Bank Stock Frauds
- Commodities Fraud
- Bogus Tax Exempt Securities

According to the Securities Board, over 46,000 fraudulent Schedule D oil company investment certificates totaling over \$100 Million in embezzled funds were detected during the period of January, 1973 through October, 1975. According to available information, this type of fraud and the Bank Stock frauds were the most prevalent types of security frauds reported in Texas during 1977.

Business Fraud

The Consumer Protection Division of the Attorney General's Office received 16,998 consumer complaints during 1977. Though data was not available to determine the exact dollar value involved in these complaints, a total restitution of \$1,160,124.63 was made in conjunction with these reported consumer complaints. Some of the more widespread business frauds committed in the State relate to the following types of businesses:

- Automotive Repair
- Real Estate
- Franchises and Distributorships
- Home Appliances
- Home Repair and Exterminating Services

Counterfeiting and Forgery

The ease with which the photoengraving process can be accomplished has led to increases in activities related to counterfeiting. The U.S. Secret Service seized \$1,872,939 in counterfeit currency in Texas during 1977. Of this amount, approximately 78 per cent was confiscated prior to being put in circulation. Secret Service spokesmen have stated that the counterfeiting of other types of government securities was not prevalent in Texas; however, the forging of these securities has increased.

Crimes of Violence

The PMM&Co. study disclosed numerous instances of crimes of violence--ranging from assaults to bombings and murder--related to organized criminal activities. Violence associated with drug trafficking and prostitution were the most frequently identified; however, percentages and numbers were inestimable within the scope of the study.

GROUPS INVOLVED IN ORGANIZED CRIME

The Organized Crime Bill of 1977 defines organized crime as a group of five or more individuals utilizing conspiratorial means to commit a variety of enumerated crimes. There are numerous groups in Texas which meet this definition. Because of the difficulty in identifying each individual group, this report will not attempt to report on the activities of each one. However, this report will address the several known organized criminal groups operating in Texas which have been identified.

Intelligence reports submitted by the local and regional organized crime control units, along with information from the PMM&Co. report, confirm previous reports by the Texas Organized Crime Prevention Council regarding the existence of the Mafia or La Cosa Nostra, the Dixie Mafia, and other organized groups operating in Texas to either perform illegal acts or own legitimate businesses. The activities of the principal groups identified are summarized below:

Mafia or La Cosa Nostra

Primarily, it is believed that the main thrust of Mafia activity in Texas occurs through contacts and associates acting in the place of Mafia members who reside outside the State. Intelligence data indicates that there are at least 14 suspected Mafia members, and 68 associate members, residing in Texas. Members or associates of the Mafia are known to own or have ownership in businesses or commercial property, to have close associations with businessmen, and to have close associations with criminals in the State. Their activities include narcotics trafficking, gambling, real estate, and the infiltration of legitimate businesses.

Dixie Mafia

This group is considered to be a loose-knit organization of criminals who are associated, but have no formal structure or organization. Intelligence data reveals that at least 218 members of this group reside in the State. Members associated with this group are principally involved in the commission of illegal acts against persons and property, as opposed to infiltration of legitimate businesses. These members are thought to have widespread connections.

Motorcycle Clubs

Though motorcycle clubs are generally not considered criminal confederations, some clubs are actively engaged in criminal activities. Intelligence data reports that at least 832 members of at least six clubs are heavily engaged in narcotics trafficking, burglary and theft rings, fencing operations, and contracted crimes of violence.

Mexican Connection

Available information indicates that this group, which is primarily involved in the smuggling of narcotics, is believed to utilize an extensive network of persons in Mexico, Texas, and throughout the nation. Control, structure, organization and direct family relationships are some of the characteristics associated with this operation.

III. CRIMINAL JUSTICE SYSTEM NEEDS

PUBLIC AWARENESS AND INVOLVEMENT

It is a well-known fact that the lack of citizen involvement in criminal justice matters severely hampers the entire criminal justice system's efforts to deal effectively with crime control. The citizen's role is especially important to law enforcement. Without the citizen's willingness to obey the law and to take affirmative action to suppress outbreaks of lawlessness, law enforcement could have no major impact on crime. Because of the unique nature of organized crime, citizen awareness and involvement are critical for the suppression and prevention of organized crime activities.

The first step toward citizen involvement in organized crime control is increasing the public's awareness of what constitutes organized crime; of the extent of its existence in Texas; and how it affects citizens in their daily lives. Whenever the term "organized crime" had been utilized in the past, most individuals thought of groups such as the "Mafia" and "La Cosa Nostra." Though these groups have had a profound impact on organized crime nationwide, they are not representative of smaller groups of individuals who participate in organized crime activities. The Texas Legislature, in its 1977 Session, provided a comprehensive definition of organized crime which included the activities of all groups involved in organized criminal activities. Incorporated in the Texas Organized Crime Bill of 1977, the Legislature defined organized crime as a group of five or more individuals utilizing conspiratorial means to commit specific offenses.

Utilizing this definition and extensive information from the Peat, Marwick, Mitchell and Company (PMM&Co.) report entitled, *Organized Crime in Texas, 1976: A Comprehensive Study*, the Council initiated a massive public education campaign on organized crime. The campaign included a brochure entitled, "Organized Crime Affects You" ("OCA Y") and a twelve minute color audio/visual program. Its purpose was to increase the public's awareness of organized crime and its existence in Texas, and to initiate a comprehensive citizen involvement program in organized crime control and prevention. (A more detailed narrative of the Council's public information program can be found in the Council's 1977 Activities section of this report.)

While the Council's public education program has been well received throughout the State, additional public information must be developed and greater amounts must be distributed to insure the success of the program. Additional programs should be geared for all community levels and should solicit each citizen's cooperation and involvement in controlling organized crime. Through specific programs aimed at various groups and distributed widely, an effective vehicle will exist which increases citizen involvement at all levels of the criminal justice system and specifically the area of organized crime suppression.

DATA COLLECTION AND INTELLIGENCE

Within the scope of organized crime control, there are basically two types of data which must be collected. These data types include: 1) data which will effectively measure the amount of organized crime occurring over a period of time; and 2) intelligence data which provides law enforcement with the needed information to successfully locate and prosecute individuals involved in organized criminal activities. The lack of either type of data will result in an ineffective suppression and control program.

The first type of data, that which will measure the amount of organized crime occurring within a specific time period, is necessary to determine the extensiveness of organized criminal activities within the State. In order to develop a comprehensive plan to control and prevent organized crime activities, there must be some type of data collection method established which will provide an accurate measurement of the extent of organized crime. Unfortunately, this method presently does not exist and therefore it is somewhat difficult, if not impossible, to accurately measure organized crime activities in Texas. During 1978, the Council plans to conduct a feasibility study on the collection of this type of data. If successful, a method could be developed which would provide a more clear picture of the extent and impact of organized crime in Texas.

The second type of data, that which deals with criminal intelligence, is an essential tool utilized by law enforcement to effectively locate and prosecute those individuals involved in organized criminal activities. The criminal intelligence community came under increasing fire during 1977. Due to increased demands for individual privacy and greater access to police files, the criminal intelligence gathering and dissemination process was extensively scrutinized. This examination was welcomed to the extent that it improved the criminal intelligence process. However, the placing of undue restraints upon the criminal intelligence process will seriously hamper law enforcement's efforts to combat organized crime.

At the start of 1977, a statewide organized crime intelligence system existed which was at least partially effective in providing intelligence information to authorized law enforcement agencies on a statewide level. It consisted of a pointer system which was operated by the Texas Law Enforcement Intelligence Units Association (TLEIUA). The system functioned by police agencies submitting cards containing intelligence information to a central repository maintained at the Texas Department of Public Safety (DPS) headquarters in Austin. Those agencies which would request intelligence information on a particular individual from the central repository would be directed to the contributing agency for specific intelligence information. However, because TLEIUA is a chartered private organization, unsubstantiated allegations were made that the Association could be used to circumvent legal and approved methods of intelligence collection and dissemination. The DPS's role of utilizing personnel and facilities to maintain the intelligence pointer system was also questioned, causing the DPS to withdraw from TLEIUA. With the DPS no longer participating in the organized crime intelligence pointer system, all intelligence cards were returned to the original contributors.

Presently, no organized crime intelligence system exists which includes multi-agency contributors or receivers and encompasses either the whole, or major part, of the State. Because of the lack of a statewide organized crime intelligence system, criminal justice efforts are neither efficient nor effective in organized crime suppression. It is essential that a statewide criminal intelligence system be implemented which actively encourages all agencies to contribute intelligence information and to utilize the system as an intelligence source. An examination of the pointer system initiated by TLEIUA should be made, as a starting point, to determine if it could be modified to again serve as a statewide system. If it is determined that a different method should be utilized, then the design and implementation of a new method should be initiated immediately.

ORGANIZED CRIME CONTROL UNITS

The most important level of organized crime control is the operational, or enforcement, level. Though systems can be designed and major plans developed to suppress organized crime, if they are not initiated and utilized at the operational level, then they are of little value. Presently, there are eighteen different State, regional, and local enforcement units operating in Texas whose major purpose is to control organized criminal activities. Of these eighteen units, ten represent multi-agency regional task forces; four represent District Attorney's special crimes units; two represent the Attorney General's Office; and two represent the Texas Department of Public Safety. These eighteen organized crime units include:

Greater Austin Area Organized Crime Control Unit — consisting of members of the Austin Police Department, the Travis County Sheriff's Office, the Travis County District Attorney's Office, and the Hays County Sheriff's Office.

Bexar County/City of San Antonio Organized Crime Control Bureau — consisting of members of the San Antonio Police Department, the Bexar County Sheriff's Office, and the Bexar County District Attorney's Office.

Cameron County Organized Crime Control Unit — consisting of members of the Brownsville and Harlingen Police Departments, and the Cameron County District Attorney's Office.

Central Texas Organized Crime Control Unit — consisting of members of the Temple Police Department, and the Bell County District Attorney's Office.

Greater Dallas Area Metro Intelligence Unit — consisting of members of the Dallas, Grand Prairie, Irving, Garland and Mesquite Police Departments, the Dallas County Sheriff's Office, and the Dallas County District Attorney's Office.

Harris County Organized Crime Control Unit — consisting of members of the Baytown, Bellaire, Deer Park, Houston, LaPorte, Pasadena, Seabrook and South Houston Police Departments, the Harris County Sheriff's Office, and the Harris County District Attorney's Office.

Galveston County Organized Crime Control Unit — consisting of members of the LaMarque, Galveston and Texas City Police Departments, and the Galveston County Sheriff's Office.

Nueces County Organized Crime Control Unit — consisting of members of the Corpus Christi Police Department, the Nueces County Sheriff's Office, and the Nueces County District Attorney's Office.

Potter-Randall Metro Intelligence Unit — consisting of members of the Amarillo, Canyon and West Texas State University Police Departments, Potter County Sheriff's Office, Randall County Sheriff's Office, and the Deaf Smith County Sheriff's Office.

Texarkana Area Organized Crime Intelligence Unit — consisting of the Texarkana, Texas and Texarkana, Arkansas Police Departments, and the Bowie County District Attorney's Office.

Special Crimes Division, Bexar County District Attorney's Office.

White Collar Crime Division, Dallas County District Attorney's Office.

Special Crimes Division, Harris County District Attorney's Office.

Special Crimes Division, Tarrant County District Attorney's Office.

Consumer Fraud Task Force, Attorney General's Office.

Organized Crime Task Force, Attorney General's Office.

Statewide Organized Crime Intelligence Unit, Texas Department of Public Safety.

South Texas Stepped-Up Law Enforcement Program, Texas Department of Public Safety.

Except for those units of the Texas Department of Public Safety and the Attorney General's Office, organized crime control units are located in only a portion of the metropolitan areas of the State and are virtually nonexistent in rural areas. Because of the vast unpopulated areas of south and west Texas and their proximity to the Mexico border, organized criminal activities such as international narcotics smuggling, vehicle theft, and alien smuggling have become highly successful

businesses. This is due, at least partially, to the lack of adequate enforcement units in the area. The only State or local organized crime units which work a portion of this vast area are the Cameron County Organized Crime Unit and the DPS South Texas Stepped-Up Law Enforcement Program.

It is apparent that there is a critical need for additional organized crime control units throughout the State. Major emphasis must be placed on the establishment of additional regional task forces. Though the optimum would be for the entire State to be encompassed by regional task forces, this may not be realistic at the present time. However, as a starting point, those metropolitan areas located within the south and western parts of Texas should initiate efforts to establish organized crime task forces in their respective areas. These task forces should be multi-county in nature and include local, State, and Federal agencies within that area.

The Council's Staff has developed general guidelines for the establishment of regional organized crime task forces and will provide technical assistance to any agency/agencies who wish to form a task force. The Council feels that through the establishment of additional units across Texas, organized crime suppression efforts would be greatly enhanced.

PERSONNEL AND TRAINING

The need for qualified task force personnel will increase as additional units are established and as new personnel are assigned to existing units. Because of the specialized and multi-faceted nature of organized crime control, new personnel must have extensive knowledge in the operational aspects of organized crime. They must be knowledgeable in areas such as accounting, law, white collar crime activities, narcotics and gambling enforcement, and other specific areas, as well as basic police techniques and procedures. Though police techniques and procedures are usually taught during basic police academies, specialized organized crime enforcement training programs are almost non-existent in Texas.

Presently, there are no in-state organized crime training programs available on a multi-agency level which provide training for task force officers. Because of the necessity of this training, a program should be developed and made available to all officers entering organized crime units. Input should be solicited from knowledgeable persons in the organized crime control field, as well as from the training sections of the DPS and the Texas Commission on Law Enforcement Officer Standards and Education (TCLEOSE). The Council and its Staff plan to coordinate the development of these materials and training seminars during 1978. Through the selection and training of qualified personnel, organized crime control units will function more effectively in combating criminal activities.

AGENCY COOPERATION, COORDINATION, AND LIAISON

Historically, organized criminal activities have extended beyond traditional lines of police jurisdiction. Therefore, it has become essential that local, State, and Federal enforcement agencies establish a working environment of mutual interagency respect and cooperation. Cooperation between the various levels of law enforcement and other regulatory agencies is the key to successful organized crime control. Additionally, the consolidation of resources, strategies, and intelligence information will provide for a more coordinated and unified effort to eradicate this criminal element. The combination of manpower and resources from the various concerned agencies has already proved successful at the Federal level. These Federal strike force units have been successful in developing cases for prosecution of known organized crime figures. This combination technique has also been utilized by local enforcement agencies in the development of regional organized crime control units.

Though this technique has proven successful in the past, it has yet to develop to its fullest potential. The establishment of operational level strike forces consisting of local, State, and Federal officers, as well as the pooling of these agencies' resources and intelligence information, has the potential of effectively controlling organized criminal activities.

The basic groundwork has already been laid for the establishment of these multi-level units. The Council's Co-Chairman, Attorney General John L. Hill, has played a major role in the establishment of the State-Federal Law Enforcement Coordinating Committee. This Committee consists of State and Federal law enforcement and prosecutorial agencies which strive to increase the cooperative enforcement efforts of all agencies. With this Committee established, there now exists a need to form operational units including representatives from this Committee and from local law enforcement agencies.

IV. COUNCIL ACTIVITIES

1977 ACTIVITIES

The Council conducted three meetings during 1977. Two were held in January to receive and approve the Peat, Marwick, Mitchell and Company study and to begin preliminary work on the development of an organized crime public information campaign. The final meeting was held in June, at which time the Council approved the public information brochure, "Organized Crime Affects You," and authorized the Staff to begin printing and distribution operations. The Council's major emphasis during 1977 was on public education and citizen involvement. In addition to the Public Education Subcommittee activities, the Council and its Staff were active in the other three subcommittee areas. A more detailed narrative of the four subcommittee's activities follows:

Public Education

During 1977, the Council initiated a major public education campaign to increase citizen awareness and involvement, in an effort to combat organized crime. This campaign was spearheaded by a brochure entitled, "Organized Crime Affects You," which presented an overview of five major organized crime activities in Texas. There were 50,000 brochures originally printed. Due to the wide acceptance of the brochure across the State, an additional 50,000 brochures were printed. In conjunction with the "OCAY" brochure, a twelve minute color audio/visual program was developed. This audio/visual program provides a general overview of organized crime in Texas and how it affects the daily lives of each citizen. There were 100 copies of the audio/visual program originally produced, which will be distributed to civic groups and criminal justice agencies throughout Texas. The Council anticipates greater distribution of these public education materials than originally planned due to increased public demand. This demand will allow for greater public exposure to organized crime problems and increase citizen awareness and involvement in the various prevention and enforcement programs.

In addition to the public education material, the Council and its Staff have served numerous times as guest speakers before various concerned groups. The Council will continue to serve in this capacity, in that it provides an excellent means to express the organized crime topic on a more personal basis.

Training

During 1977, Staff members developed training materials and provided instruction on organized crime control and prevention matters at various local and regional police academies. This training was provided upon request from law enforcement agencies and training academies. The Council intends to remain active in the organized crime training area with the development of training manuals and materials in the future.

Intelligence

Though not an intelligence gathering agency itself, the Council is involved with the technical and operational aspects of the intelligence community. Staff members participated in the activities of the Texas Law Enforcement Intelligence Units Association and continue to support their efforts in the area of intelligence collection and dissemination. In the future, the Council will provide technical assistance to any enforcement agency in the area of organized crime control.

Legal and Legislative

Because of the importance of adequate laws to suppress organized criminal activities, the Council has proposed legislation to be submitted to the next Legislature for passage. This proposed legislation is outlined in Section V of this report.

Coordination and Liaison

During 1977, the Council continued to support the efforts of all criminal justice organizations in the development of improved techniques to control and prevent all levels of crime. To this end, the Council was active in the Texas Police Association, the Sheriff's Association of Texas, the State-Federal Law Enforcement Coordinating Committee, the Texas Crime Prevention Association, the Texas Law Enforcement Intelligence Units Association, the International Association of Chiefs of Police, and other organizations which are active in law enforcement programs.

PROJECTED 1978 ACTIVITIES

During 1978, the Council will increase its level of activities in each subcommittee area. It is felt by increasing these activities the Council will play an even greater role in the planning and coordinating stages of organized crime control. The Council also feels that these activities are essential to organized crime enforcement and that they should be the leading force in this area of concern.

Public Education

In addition to the continuing distribution of the "OCAY" brochure and the color audio/visual program, the Council plans to develop another brochure and audio/visual program dealing with a specific organized crime problem. Through the dissemination of the new material, the public will gain an even greater insight to specific organized crime problems within the State.

Training

As stated previously in this report, there presently exists no in-state organized crime training programs available on a multi-agency level which provide training for task force officers. During 1978, the Council will develop a basic training manual to be utilized in organized crime training schools and seminars. In addition, the Council will encourage State, regional and local police academies to increase their training activities in the area of organized crime control.

Intelligence/Data Collection

During 1978, the Council plans to expand its role in the area of criminal intelligence by providing technical assistance to requesting agencies in the establishment of intelligence systems. Staff members will also work with the TLEIUA in development of standards for criminal intelligence collection and dissemination systems. These standards can be utilized as general guidelines for agencies in establishing intelligence systems.

Additionally, the Staff will conduct a feasibility study regarding the development and implementation of a statewide organized crime data collection and retrieval system which would increase the level of organized crime data reporting and improve the analysis of organized criminal activity in Texas. This system would also have the capability of providing a clearer picture of the extent of organized activities within the State.

Coordination and Liaison

In regard to accomplishing their Executive Order mandate of coordinating the activities of all law enforcement and prosecuting agencies in the State in the implementation of a comprehensive organized crime control program, the Council will continue to provide liaison between local organized crime control units and other State agencies. To this end, the Council will continue to be active in the State-Federal Law Enforcement Coordinating Committee in its efforts to increase mutual cooperation among State and Federal enforcement and prosecutorial agencies.

Finally, the Council will remain active in those organizations, committees, and associations whose purpose is to increase the effectiveness of the criminal justice system in preventing and controlling all types of crime. The Council will strive to improve system capabilities to insure greater success in controlling and suppressing organized criminal activities in Texas.

V. PROPOSED LEGISLATION

Law enforcement's most effective tool in controlling organized criminal activities is well defined statutes which provide adequate means to suppress organized crime. The Peat, Marwick, Mitchell and Company study on organized crime stated that in the past Texas has taken "...a piecemeal and halting approach to the laws necessary to answer the challenge of organized crime." The study concluded that certain legislative needs deemed essential to the successful investigation and prosecution of organized crime should be enacted.

During the 1977 Regular Session of the Texas Legislature, significant anti-crime legislation was passed. Of great importance to organized crime control was the passage of the Organized Crime Bill. This statute made organized criminal activity a separate offense and increased the punishment levels for those individuals involved in these activities. This statute was of significance in that it afforded law enforcement with a specific definition of organized criminal activities.

The Council believes that the Organized Crime Bill was a major step in the control of organized crime. However, additional legislation is recommended to increase the effectiveness of law enforcement in controlling organized criminal activity. Those recommendations adopted by the Council are discussed briefly in the paragraphs which follow. While it may be noted that no specifically drafted legislation has been collectively endorsed by the Council, the conceptual designs for legislation presented here are deemed essential to combat organized crime.

ELECTRONIC SURVEILLANCE

The prosecution of organized criminals requires careful and sophisticated case preparation, especially when the target individuals at the top often communicate by telephone. In its findings, the National Task Force on Organized Crime (NTFOC) recommended that every state should have a wiretap and microphonic surveillance statute permitting use of non-consensual procedures in cases involving organized crime and related corruption. It further stated that vigorous enforcement of laws against the illegal use of these techniques should be adopted.

According to the PMM&Co. survey previously cited, "...the Federal government and twenty-one states authorize surveillance without consent of either party." A great majority of law enforcement personnel in Texas feel that electronic surveillance is an indispensable tool in the investigation and prosecution of organized crime. A dramatic example of the use of this valuable investigative tool would be in the obtaining of information concerning violent activities such as terrorism, bombings, and hired killings. With prior knowledge of such activities, the police could save lives and protect property. In its citizen opinion survey, the PMM&Co. study found that 79.9 per cent of the respondents approved the use of wiretapping to combat organized crime.

TOCPC supports and endorses legislation authorizing electronic surveillance in the investigation of organized criminal activities. In addition, it strongly recommends safeguards such as those provided for in Federal statutes to prevent its abuse.

MANDATORY REPORTING

Many law enforcement agencies do not maintain the types of records and data which are needed to develop projections or conclusions about organized criminal activities and to determine the most appropriate organized crime control program. Some of the benefits of having comprehensive organized crime data are:

- long-term strategic planning could be more realistic and effective;
- programs to inform the public and enlist their aid could be more effective;

- state resources could better meet the needs of local agencies;
- an assessment capability to anticipate organized crime could be properly directed.

The Council recommends that efforts be strengthened to facilitate the reporting of organized crime information to the Department of Public Safety in the same manner that index crimes are currently reported.

STATUTORY AUTHORITY FOR TOCPC

The Council recommends statutory authority for TOCPC, noting that for long-range organized crime programs to be implemented, the Council must continue in existence. TOCPC has been operating since its inception with LEAA funds distributed through the CJD. The Council recognizes that LEAA funds are intended as "seed" money and are exhaustible. In addition, over the past three years the Council's funding level has decreased and is projected to decrease in the future. During the same period, TOCPC's activities have greatly increased. If TOCPC is to have an impact on organized crime and meet its Executive Order mandate, then this funding trend must be reversed. Legislative recognition of TOCPC is necessary if the Council is to continue in its efforts beyond the period of available Federal funding.

CRIMINAL INTELLIGENCE

The use of criminal intelligence is an essential tool in the enforcement and control of organized criminal activities. During recent years, there has been an increasing amount of criticism of law enforcement's criminal intelligence systems. Constructive criticism is welcomed and necessary for the maintenance of these intelligence systems within their proper scope. However, criticism directed solely at undermining the criminal intelligence process is neither helpful nor wanted.

Though the Council does not propose any type of legislation concerning criminal intelligence at this time, it does recommend that law enforcement take the initiative in the development of standards for the collection and dissemination of criminal intelligence. These standards should be constructed within all legal parameters to insure that the citizen's right to privacy is protected and that law enforcement is not handicapped in its use of criminal intelligence.

OTHER LEGISLATIVE CONSIDERATIONS

While previous recommendations for legislation have been called essential for organized crime control, the following items are worthy of consideration:

Protection of Witnesses — The state should commit the financial resources necessary to promote the cooperation of witnesses who might otherwise suffer reprisals from target criminals.

Civil Restraints — Prostitution, drug traffic, fencing, and other organized criminal activity could be controlled to a degree by civil injunctions against common law nuisances.

Presentence Reports — Adequate presentence review of cases involving organized crime figures would be useful to the sentencing court, interested agencies, reviewing courts, defense counsel, and the prosecuting attorney.

Maximum Terms — Criminal court judges should be encouraged to impose the maximum terms and fines currently allowed as a justified and appropriate sanction against organized crime.

Economic Sanctions — In those categories of organized criminal activity where economic sanction is appropriate, a formula sufficient to suppress the particular offense should be developed.

Correctional Policies — Correctional agencies should redesign their inmate policies to treat special offenders in an appropriate restricted manner.

Probation Supervision — Probation policies for special offenders should include measured caseload standards, regular detailed reports, and ready use of amendment or revocation powers.

Parole — Consideration for parole and parole supervision should track policies designed for probation departments and officers.

Broad Jurisdictional Grand Juries — This concept, with the proper safeguards, can be a valuable tool in combating organized crime. In certain situations, it is considered almost essential.

APPENDIX

LOCAL AND REGIONAL ORGANIZED CRIME UNITS CONTRIBUTING DATA TO THE 1977 ANNUAL REPORT

Potter—Randall Metro Intelligence Unit, Amarillo

Greater Austin Area Organized Crime Control Unit, Austin

Cameron County Organized Crime Task Force, Brownsville

Collin County Major Crime Task Force, McKinney

Central Texas Organized Crime Control Unit, Temple

Greater Dallas Area Organized Crime Task Force, Dallas

Statewide Organized Crime Intelligence Unit, DPS, Austin

South Texas Stepped-Up Law Enforcement Program, DPS, Austin

Joint Organized Crime/Anti-Fencing Unit, Dallas

Galveston County Organized Crime Control Unit, Galveston

Harris County Organized Crime Control Unit, Houston

Special Investigations Unit, Mesquite

Nueces County Organized Crime Control Unit, Corpus Christi

Bexar County/San Antonio Organized Crime Control Bureau, San Antonio

Texarkana Area Organized Crime Intelligence Unit, Texarkana, Texas

Major Crime and Drugs Task Force, Victoria

Wharton County Major Crime Task Force, Wharton

TEXAS ORGANIZED CRIME PREVENTION COUNCIL





END