

STATE OF NEW JERSEY -
FORFEITURE PROGRAM ADMINISTRATION
STANDARD OPERATING PROCEDURE



04

Title: ***Administration of a Municipal Forfeiture Program***

Date Issued: **03/01/98**

Applicability: **All Forfeiture Program Administrators**

Supersedes:

4:1 Policy Statement

It is the policy of the Attorney General that either the county prosecutor or the municipal law enforcement agency's funding entity shall administer property and funds a municipal law enforcement agency receives as a result of seizures and forfeiture brought under the authority of N.J.S.A. 2C:64-1, et seq., (civil forfeiture) and N.J.S.A. 2C:41-1, et seq., (racketeering). Federally forfeited property and proceeds received by a municipal law enforcement agency as its equitable share of a forfeiture distribution from the United States Departments of Justice or Treasury shall be administered under the provisions of Forfeiture Program Administration Standard Operating Procedure 01.

4:2 Establishment of Law Enforcement Trust Fund

A. Municipal Law Enforcement Trust Account, (MLETA)

1. At the discretion of the county prosecutor, a municipal law enforcement agency through its funding entity or the funding entity of the county prosecutor's office shall establish a law enforcement trust fund dedicated for law enforcement purposes, and funded by completed forfeiture actions commenced under N.J.S.A. 2C:64-1, et seq., (civil forfeiture) or N.J.S.A. 2C:41-1, et seq., (racketeering). Investigations performed by the municipal law enforcement agency, or in conjunction with the county prosecutor's office or a state law enforcement agency are the primary source of funds received from forfeiture actions.
 - a. An account which is established by a municipal law enforcement agency's funding entity shall be known as the (name of municipality) Law Enforcement Trust Account, (MLETA), and shall be an interest-bearing account. MLETA shall be maintained by the funding entity and shall be administered by the agency executive of the municipal law enforcement agency. All forfeited funds or proceeds from the sale of forfeited property received by the municipal law

enforcement agency shall be deposited into MLETA. In addition, any interest or other income generated by the deposited funds shall remain in MLETA. Because MLETA is a trust account, the funds shall not revert to the municipal treasury at the end of the fiscal year, but carryover from year to year. MLETA funds are to be used solely for law enforcement purposes which shall be documented in writing by the agency executive and approved prior to use by the county prosecutor.

- b. An account which is established on behalf of a municipal law enforcement agency by the funding entity of the county prosecutor (MEA) shall be maintained as an escrow account in the name of the specific municipal law enforcement agency. These accounts shall be interest-bearing. All forfeited funds or proceeds from the sale of forfeited property designated for a municipal law enforcement agency shall be deposited into that agency's escrow account. In addition, any interest or other income generated by the deposited funds shall remain in the agency's escrow account. Because these escrow accounts are trust accounts, the funds shall not revert to the county general treasury at the end of the fiscal year, but carryover from year to year. These funds shall be used solely for law enforcement purposes which shall be documented in writing by the agency executive and approved prior to use by the county prosecutor.

2. Disbursements from MLETA or MEA shall be as follows:

- a. The agency executive shall authorize disbursements from MLETA only after obtaining approval from the county prosecutor. Before funds are expended from MLETA the agency executive shall notify the county prosecutor of the intended expenditure. This notification shall include, at a minimum: the date, amount to be disbursed, description of requested property, purpose/reason of disbursement, person/company/agency receiving the funds, an indication of proposed law enforcement use and the signature of the agency executive. All disbursements in excess of \$5,000 shall require the signature of the agency executive and the municipal administrator.
- b. Disbursements from the MEA maintained by the funding entity of the county prosecutor shall be authorized by the county prosecutor, upon written request by the agency executive. This request shall include the information referred to in section

4:2 A. 2. a. above.

B. Seized Asset Trust Account

1. All seized funds not yet forfeited, and not held in evidence in a criminal matter shall be forwarded to the county prosecutor for deposit into the county prosecutor's Seized Asset Trust Account as outlined under Forfeiture Program Administration Standard Operating Procedure 03.
2. All seized currency not yet forfeited, and not held for evidence in a criminal matter, shall be turned over to the county prosecutor within forty-eight (48) hours of the seizure. A copy of a completed United States Currency Seizure Report prepared by the agency executive, or their designee, shall accompany all seized funds. Procedures for the completion of the United States Currency Seizure Report are detailed in Forfeiture Program Administration Standard Operating Procedure 05.
3. All other assets seized and not held for evidence in a criminal matter, shall be turned over to the county prosecutor within forty-eight (48) hours of the seizure. The agency executive, or their designee, shall complete a form documenting all other assets seized and turned over to the county prosecutor. This form shall include, at a minimum: claimant information (name, address, telephone number, etc.), the name of the agency seizing the asset, the name of the individual seizing the asset, a description of the asset, an indication whether the asset is owned by a third party or has outstanding liens, and shall be signed by the agency executive or their designee.

C. Maintenance Expenditures

The funding entity of the county prosecutor or the municipal law enforcement agency is entitled to charge expenses resulting from its administration of accounts maintained for municipal law enforcement agencies. These expenditures shall be limited to those which are normal, customary and comparable to those charged to other departments by the funding entity in the performance of similar services. Furthermore, reimbursement for expenses must be approved by the county prosecutor.

4:3 Standards for the Holding Period and Tracking of Forfeiture Property

- A. Property forfeited to a law enforcement agency, or purchased by a law enforcement agency with funds from the MLETA or MEA shall be held by the law enforcement agency for law enforcement purposes:
 1. if real estate, for as long as the property exists in the form of real

property;

2. if a motor vehicle, for at least two years from the date of forfeiture or purchase with funds from the MLETA or MEA.
 3. in the case of all other property with a fair market value of five hundred dollars or more, for at least one year from the date of forfeiture or purchase with funds from the MLETA or MEA.
- B. A law enforcement agency seeking to dispose or transfer property held for less than the periods stated above for the applicable property shall dispose of the property in accordance with all other applicable law and shall obtain reimbursement for the property for full market value of the property on the date of transfer. The proceeds from such disposal or transfer shall be deposited in the MLETA or MEA.
- C. A law enforcement agency disposing of or transferring property held beyond the periods stated above for the applicable property shall dispose or transfer the property in accordance with all other applicable law. The proceeds from such disposal or transfer shall be distributed in accordance with all other applicable law.

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