



ENVIRONMENTAL AND NATURAL RESOURCES CRIMES UNIT

First Annual Report
October 1, 2023- September 30,
2024



*Photo credit: Department of Natural Resources, 30th Wetlands and Wildlife Field Day, 002.

Dear Marylanders,

As we reflect on our commitment to protecting the environment, I am proud to share the progress made by the Environmental and Natural Resources Crimes Unit (ENRCU) over the past year. Our mission is to ensure all Maryland residents can enjoy clean air and water, while protecting our environment and ensuring we are safe from the harmful effects of pollution and climate change.

In 2023, with the support of the General Assembly, we established the ENRCU, significantly expanding our authority and resources to investigate and prosecute criminal violations of environmental and natural resources laws throughout the state of Maryland. Since its creation, the ENRCU has worked diligently on numerous cases, tackling complex investigations that address both environmental and public health concerns.

Through the work of the ENRCU, we hold individuals and corporations accountable for their actions that harm our environment and natural resources. Our expanded staff has allowed us to reach under-resourced communities disproportionately affected by environmental stressors and hazards that have made persistent health issues even worse.

In an effort to highlight the first year's achievements, and to set goals for the upcoming year, we are pleased to present this first annual report of the Environmental and Natural Resources Crimes Unit. Our work is generational in scope. By protecting the environment, we are working not just to preserve our air quality and water, but the water our children will drink, and the air our grandchildren will breathe.



**Environmental and Natural Resources Crimes Unit
First Annual Report**

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**First Annual Report of the
Environmental and Natural Resources
Crimes Unit of the
Maryland Office of the Attorney General
*October 1, 2023 – September 30, 2024***

INTRODUCTION

In the spring of 2023, the Maryland General Assembly codified the Environmental and Natural Resources Crimes Unit (“ENRCU” or “Unit”) within the Maryland Office of the Attorney General (“OAG”). The ENRCU is responsible for the coordination, investigation and prosecution of criminal environmental and natural resources violations and other associated criminal charges throughout the State of Maryland. The Unit is an investigative and prosecutorial team under the direction of the Criminal Division of the OAG, and functions independently of the Maryland Department of the Environment (“MDE”) and the Department of Natural Resources (“DNR”). The Unit investigates cases throughout Maryland and has authority to prosecute cases in both district and circuit courts throughout the State.

ENRCU complements the missions of both MDE and DNR, sharing the common goals of protecting Maryland’s air, land, water and natural resources by investigating and pursuing criminal cases throughout the State for violations of environmental, public health and natural resources laws, regulations and permits. Criminal enforcement against corporate and individual offenders serves as both a necessary and effective deterrent by holding serious violators accountable for egregious environmental and natural resource violations.

The ENRCU is staffed by four attorneys, two investigators, and a paralegal, all of whom support the work of the Unit. The attorneys and investigators have a diverse set of skills and backgrounds that include standard criminal prosecution and law enforcement investigative techniques. The Unit combines those professional skills with specialized knowledge of environmental and natural resources laws and regulations. In addition, the ENRCU partners with both the Maryland State Police and Natural Resources Police, as well as with other local, state, and federal agencies to investigate cases.

THIS REPORT

This is the First Annual Report of the ENRCU. The 2023 legislation included a statutory requirement that the ENRCU submit to the Governor and the General Assembly an annual report that is to include “all the activities of the Unit and any actions taken by the Department of the Environment or the Department of Natural Resources in response to findings and recommendations of the Unit.” This report examines the Unit’s first full year, from October 1, 2023 through September 30, 2024. To fulfill the ENRCU’s annual reporting requirement and to be transparent about the work being performed, this report strives to provide as much information as possible regarding the Unit’s efforts over the last year.



*Photo credit: Department of Natural Resources, 2022 Seafood Industry Tour.

ENVIRONMENTAL CRIMES, A BRIEF HISTORY

In the early 1980's, the State created a Hazardous Waste Strike Force to investigate and prosecute hazardous waste cases in response to the emerging concern over these types of crimes. This Strike Force later became the Maryland Environmental Crimes Unit which served as a part of the Attorney General's Criminal Division and was tasked with investigating and prosecuting all environmental crimes throughout the State of Maryland. At its inception, the Unit's legal authority to pursue criminal environmental violations included express statutory authority found in the Environment Article of the Annotated Code of Maryland, and from authority granted by the Governor's Office authorizing the investigation and prosecution of any other related crimes uncovered during the course of certain environmental criminal investigations. The Unit worked in cooperation with MDE and the Maryland State Police ("MSP").

In 1991, the Office of the Attorney General entered into an agreement with MDE and the MSP, to formally establish a Unit staffed by assistant attorneys general, Maryland State Police troopers, and MDE inspectors. The goal was to combine the prosecutorial authority and resources of the OAG with the investigative and law enforcement capabilities of the MSP, with the scientific and regulatory expertise of MDE.



2023 DEVELOPMENTS

In 2023, the Maryland General Assembly passed House Bill 874, codified as State Government Article (“SG”) § 6-701 et seq., that expanded the existing Environmental Crimes Unit of the Office of the Attorney General’s Criminal Division and renamed and codified the new unit as the “Environmental and Natural Resources Crimes Unit.” The law, effective October 1, 2023, created explicit statutory authority to investigate and prosecute cases involving violations of the State’s environmental and natural resources laws and any other criminal offenses discovered during the course of an investigation.



Signing of SB 611/HB 874 by Governor Wes Moore on May 16, 2023, making official the creation of the Environmental and Natural Resources Crimes Unit, effective October 1, 2023.

ABOUT ENRCU

Prior to October 2023, the Unit included two assistant attorneys general, a chief investigator, and a contractual investigator. Over the past year, the ENRCU has added two more assistant attorneys general (one a contractual position) and a paralegal (a position that was previously funded but had remained vacant). ENRCU staff has training and experience in the specialized field of investigation and prosecution of environmental and natural resources crimes. The Unit's criminal investigators are not sworn law enforcement agents, and, therefore do not have full police powers, including the ability to make arrests. Additionally, the Unit coordinates with MDE, DNR, Natural Resources Police ("NRP"), the Environmental Protection Agency's ("EPA") Criminal Investigations Division, and other federal, state and local agencies in the investigation and prosecution of environmental criminal violations. The Unit receives funding from both MDE and DNR.



*Photo credit: Department of Natural Resources, Natural Resources Police, Patrol.

BUDGET

When the legislation passed in 2023, the Fiscal Note anticipated the following general fund expenditures:

General fund expenditures increase by \$566,200 in FY 2024. Future years reflect annualization and inflation. General/special fund revenues may increase, beginning as early as FY 2024, as discussed below:

(in dollars)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
GF/SF Rev.	-	-	-	-	-
GF Expenditure	\$566,200	\$700,400	\$729,400	\$759,100	\$796,000
Net Effect	(\$566,200)	(\$700,400)	(\$729,400)	(\$759,100)	(\$796,000)

General fund expenditures increase by \$566,203 in fiscal 2024, which accounts for the bill's October 1, 2023 effective date. This estimate reflects the cost of hiring (1) one principal counsel to serve as the Chief Counsel of Environmental and Natural Resources Crimes; (2) two assistant Attorney General positions, specializing in environmental and natural resources law; and (3) one investigator. OAG indicates that these additional staff are expected to be combined with existing staff within the office that focus on the investigation and prosecution of criminal environmental violations, to form the Environmental and Natural Resources Crimes Unit under the bill to address both criminal environmental and natural resources violations. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses, including contractual services for expert testimony.

Positions	4.0
Salaries and Fringe Benefits	\$490,217
Contractual Services	37,500
Operating Expenses	<u>38,486</u>
Total FY 2024 State Expenditures	\$566,203

Though a part of the Office of the Attorney General's Criminal Division, the Unit receives funding from MDE and DNR. Figures for the past three fiscal years show total funding by MDE:

FY23	FY24	FY25
Appropriations	Appropriation	Appropriations
\$ 601,872.00	\$ 643,336.00	\$ 674,226.00
FY23 Actuals	FY24 Actuals	
\$ 597,262.00	\$ 756,991.00	

With the expansion of the Unit, DNR now provides additional funding, supporting an assistant attorney general position. This results in an annual total contribution of approximately \$178,004.84.

OPERATING PROCEDURES

The ENRCU receives numerous inquiries (“inquiries”) which include complaints, requests for information, general referrals, and allegations of possible criminal activity from various sources, including MDE Administrations, DNR, Natural Resources Police, citizen complaints, other governmental and law enforcement agencies, or from the ENRCU’s own investigation initiatives. All of these in-coming inquiries are tracked by the ENRCU, noting the source, location, and nature of any alleged violations.

In-coming inquiries that allege criminal violations are initially reviewed by an ENRCU attorney and an investigator. Matters deemed potentially suitable for prosecution are then subjected to a criminal investigation for the purpose of gathering information to accurately assess whether there is sufficient evidence to support the filing of criminal charges. These investigations may include surveillance, subpoenas, search warrants, witness interviews and other investigatory steps. Investigations are, at times, conducted in collaboration with various law enforcement partners, including, but not limited to, MSP and NRP.

When determining whether to pursue criminal enforcement for violations of Maryland’s environmental and natural resources laws and regulations, factors for consideration include the following:

- Whether there is significant environmental harm and/or long-term effects on the public health;
- Whether there is evidence of intentionally deceptive, misleading, or fraudulent conduct;
- Whether the violator was operating outside the regulatory scheme;
- Whether the violation(s) were part of an isolated incident or instead a pattern of continuing conduct;
- Whether the violator(s) has a prior criminal record or a history of civil/regulatory enforcement action; and
- A demonstrated need for deterrence.

The duration of criminal investigations depends on the nature and complexity of each case. If it is determined that there is sufficient evidence to proceed with a criminal prosecution, charges are filed by way of criminal information or by indictment returned by a grand jury. Once filed, cases are handled by the Unit through to and including the trial and any subsequent post-trial issues that may arise, including violations of probation. Due to the nature of criminal investigations, it is not unusual for investigations or filed criminal prosecutions to take longer than one year to resolve or being resolved in different calendar or fiscal year than the one in which they were initiated.

Resolution of cases can include the following:

- The imposition of jail time, either active incarceration or suspended jail sentences;
- The imposition of criminal fines, often times payable to environmental funds overseen by MDE;
- Implementation of a Supplemental Environmental Project (“SEP”);
- Supervised or unsupervised terms probation;
- Orders of restitution; and
- Community service hours.

In addition to conducting criminal investigations and prosecutions, the ENRCU is also committed to supporting its law enforcement partners by advising on potential investigative or prosecution issues and assisting in the preparation of certain investigatory documents, like search warrants and subpoenas.

AUTHORITY

The statutory function of the Unit is to investigate and prosecute cases against persons believed to be in violation of State criminal environmental and natural resources laws, as well as to investigate and prosecute any other criminal offense(s) discovered during the course of an investigation. SG § 6-702 (a)(2). This legislation granted the Unit the “full powers, rights, privileges, and duties of a State’s Attorney,” to include the use of grand juries in any county. SG § 6-702 (a)(3). Additional new authority includes the ability to issue subpoenas to produce “telephone, business, government, or corporate records or documents,” for the limited purpose of furthering ongoing criminal investigations. SG § 6-703 (a)(1). The Unit continues to investigate and prosecute environmental and natural resources crimes as before, but now has increased resources and more expansive investigative abilities.

This statutory authority provides for the investigation and possible prosecution of a diverse array of violations. Typical cases may involve the following:

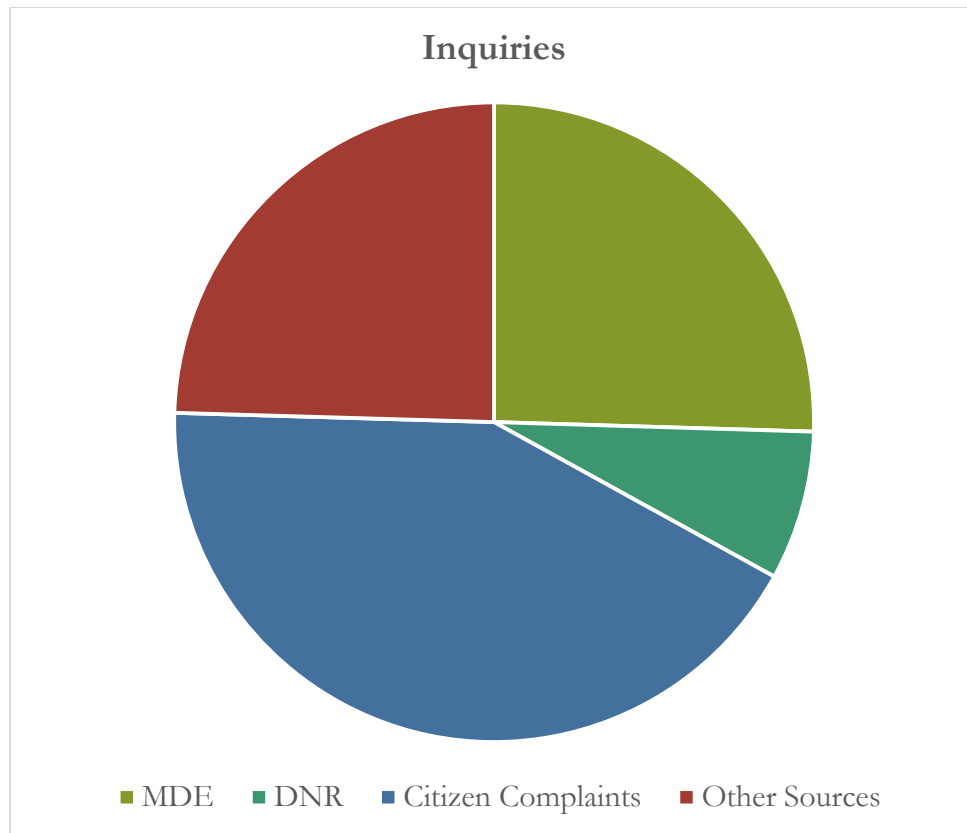
- Illegal discharge of pollutants into Maryland waters;
- Illegal discharge of septic and sewage waste;
- Illegal, unpermitted installation or modification of septic systems;
- Illegal accumulation, storage, abandonment or disposal of hazardous waste;
- Illegal discharge or disposal of oil;
- Illegal open dumping, accumulation and burial of solid waste, and associated criminal litter charges;
- Illegal creation and operation of unpermitted landfills;
- Unlawful transport, storage and disposal of scrap tires;
- Improper handling and disposal of special medical waste;

- Wetlands violations;
- Open burning violations;
- Frauds associated with permitting and reporting requirements and payment of excise taxes and fees; and
- Falsification of required reports, forms, certificates, applications and permits.

The applicable statutes and regulations can be found in the Environment Article, Annotated Code of Maryland (“EN”); Natural Resources Article, Annotated Code of Maryland (“NR”); the Criminal Law Article, Annotated Code of Maryland (“CR”); and the Code of Maryland Regulations (“COMAR”).

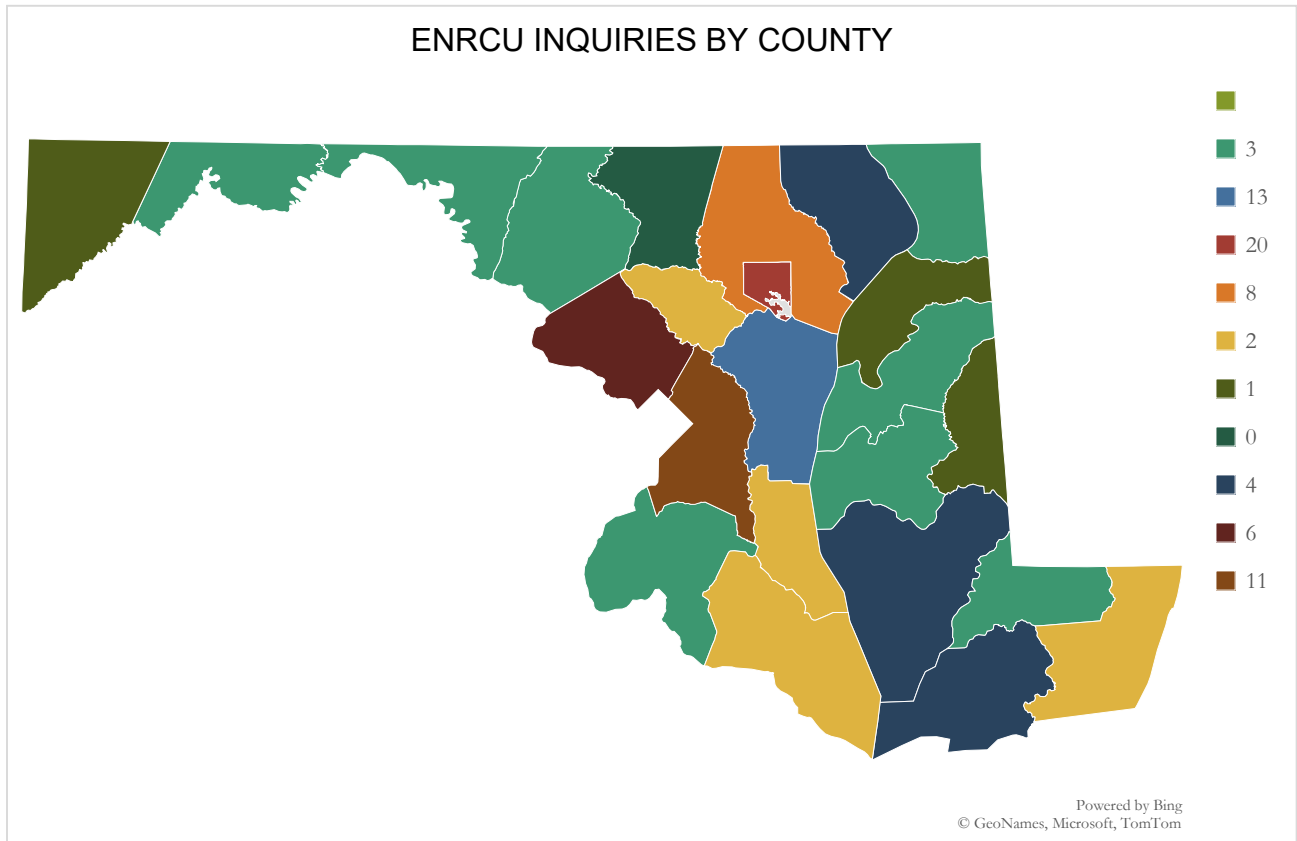
THE FIRST YEAR: CASE INFORMATION

During the first full year operating as the renamed and expanded Environmental and Natural Resources Crimes Unit, the ENRCU received a total of 106 new inquiries. Twenty-seven of those inquiries came from MDE; 8 were from DNR; 45 originated from citizen complaints; and 26 came from other sources.



The above-referenced inquiries originated from across the state from almost all 24 Maryland municipalities. The majority of inquiries originated from Baltimore City, Prince George's County and Anne Arundel County.

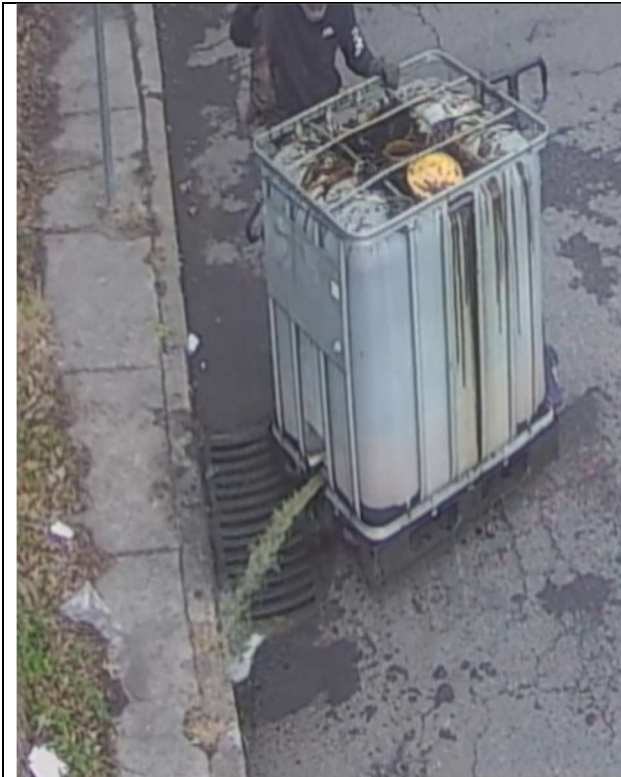
Of those 106 inquiries, the ENRCU initiated 35 investigations. Of those opened, some were ultimately closed due to insufficient information, some were consolidated with other related matters, some were readily resolved, and others were referred to another agency to handle.



In the Unit's first year, criminal charges were filed, prosecutions were pending, or prosecutions were completed by the ENRCU in 16 separate cases, for a total of 198 counts filed throughout the State in multiple jurisdictions. The ENRCU successfully prosecuted five of these cases, while 11 cases remained pending as of September 30, 2024.

Of the completed prosecutions, all resolved through guilty pleas, 5 criminal defendants were convicted of 12 separate criminal counts. These criminal convictions included:

- Illegal discharge of oil in violation of EN § 4-410;
- Operation of an unpermitted transfer station in violation of COMAR 26.04.07.24;
- Discharge of a pollutant in violation of EN § 9-322;
- Discharge of a pollutant without a permit in violation of EN § 9-323;
- Solid waste nuisance in violation of COMAR 26.04.07.03; and
- Hunting violations, in violation of NR § 10-404.



Resolution of all 5 cases collectively resulted in: suspended jail sentences of 10 years and 90 days; terms of probation of 12 years and 6 months; and criminal fines of \$150,000 imposed by the courts, suspending all but \$30,000 to be paid to the Maryland Clean Water Fund. Penalties also included a total of 140 hours of court-ordered community service, and restitution in the amount of \$5,000.00.

TOTALS <i>10/1/2023- 9/30/2024</i>	ENVIRONMENT ARTICLE			NATURAL RESOURCE ARTICLE	TOTAL
	Title 9	Title 9	Title 4	Title 10	
	<i>Subtitle 2</i>	<i>Subtitle 3</i>	<i>Subtitle 4</i>	<i>Subtitle 4</i>	
Number of Convictions Obtained**	3	7	1	1	12
Imprisonment Time Ordered (Years)**	3 years	6 yrs, 90 days	1 year	n/a	10 years, 90 days
Imprisonment Time to Be Served	0	0	0	0	0
Probation Ordered (Years)**		9.5 years	3 years	0	12.5.years
Total Criminal Fines Ordered	\$30,000	\$120,000			\$150,000
Criminal Fines to Be Paid	\$30,000				\$30,000
Restitution				\$5,000	\$5,000
Community Service Hours		60 Hours		80 hours	140 hours

** A resolved case may involve counts from various statutory titles and subtitles.

Environment Article (EN)
 Title 9 – Water, Ice & Sanitary Facilities
 Title 4 - Water Management

Natural Resources Article (NR)
 Title 10- Wildlife

PENDING CASE INFORMATION

As of September 30, 2024, there were eleven cases, with a total of 164 counts, pending in circuit courts throughout the State. Charges in these cases include the following:

- Illegal disposal of a controlled hazardous substance in violation of EN § 7-265;
- Illegal discharge of pollutants in violation of EN § 9-322;
- Discharge of oil in violation of EN § 4-410;
- Criminal litter in violation of CR § 10-110;
- Operation of a scrap tire collection facility without a license in violation of EN § 9-228;
- Solid waste nuisance in violation of COMAR 26.04.07.03;
- Unlawful disposal of scrap tires for monetary gain in violation of EN § 9-228; and
- Unlawful transport of scrap tires, in violation of EN § 9-228.

A criminal indictment or other charging document is merely an accusation of wrongdoing, and each defendant is presumed innocent until the State proves the defendant guilty beyond a reasonable doubt.

PENDING CASE HIGHLIGHTS:

On August 5, 2024, the ENRCU secured indictments for three individuals in Baltimore City Circuit Court on over 30 criminal charges for violations of state environmental laws related to the improper disposal of hazardous materials.¹ These counts include felony charges of improper disposal of controlled hazardous substances, conspiracy to improperly dispose of controlled hazardous substances, and related solid waste charges.



¹ See, *State v. Orlando Pagan*, Case No. C-24-CR-24-001277; *State v. Anthony Simmons*, Case No. C-24-CR-24-001278; and *State v. Jeremy Thompson*, Case No. C-24-CR-24-001279.

On April 23, 2024, the ENCRU filed 98 counts against Michael Osei in Allegany County Circuit Court.² These counts related to the improper dumping and ultimate abandonment of a large number of scrap tires. Charges included the operation of a scrap tire collection facility without a license, the unlawful disposal of scrap tires for monetary gain, the unlawful transport of scrap tires, and other related solid waste counts. Though outside the scope of this report, on October 16, 2024, the Defendant pleaded guilty to 17 counts, including one count of unlawful disposal for gain, eight counts of operating a scrap tire facility without a license, and eight counts of improper handling of waste—nuisance. Sentencing in this case is scheduled for December 17, 2024.



² See, *State v. Michael Osei*, Case No. C-0-CR-24-261.

OUTREACH

The ENRCU is committed to outreach and collaboration with both law enforcement partners and the community. In addition to participation in trainings with MDE inspectors and county health departments throughout the State, the ENRCU is conducting outreach with NRP, including regional meetings with officers and command staff. The purpose of these meetings is to work collectively to identify needs, discuss available resources, and improve collaboration. Additionally, the ENRCU participates in an annual regional enforcement task force meeting lead by investigative partners with the EPA's Criminal Division. Also, the Unit participates in a Multi-State Attorneys General Office Environmental Crimes Taskforce with representatives from other Attorney General's offices throughout the Country. These regional meetings work to highlight work done by other agencies, foster resource awareness, and further the ENRCU's outreach in the environmental criminal enforcement arena.

The ENRCU is also committed to improved community outreach. A continuing objective is to expand and increase awareness of the Unit with the goal of becoming a better-known resource for those witnessing or experiencing potential environmental or natural resource crimes. The ENRCU encourages anyone with such information to reach out via the contacts provided in this report or through the OAG's website.

ENRCU is also committed to utilizing Supplemental Environmental Projects in certain cases. A Supplemental Environmental Project, or "SEP," is an environmentally beneficial project or activity that protects and improves the environment and reduces risks to public health. A SEP can be imposed as part of a resolution of a case against a corporation or an individual for environmental or natural resource violations. The ENRCU believes that SEPs should support projects focused on and intended to provide direct, environmental and related public benefits, especially in overburdened communities where both environmental and socio-economic stressors have contributed to persistent environmental health disparities. The ENRCU's use of a SEP as part of a resolution of a criminal case against a corporate defendant is highlighted in the next section.

OUTREACH HIGHLIGHT:

In August 2023 in the case of *State v. Curtis Bay Energy, LP*, the defendant, the owner and operator of a special medical waste incinerator facility located in South Baltimore, pleaded guilty in Baltimore City Circuit Court to 40 environmental violations related to the insufficient treatment and improper handling of special medical waste and concealment of an unpermitted discharge outlet.³

³ See, *State v. Curtis Bay Energy, LP*, Case No. 623160001.



As part of the plea, the company was placed on two years' probation and ordered to pay a fine of \$1,000,000 to the Maryland Clean Water Fund. A special condition of probation required Curtis Bay Energy to fund a SEP directing a total of \$750,000 into communities surrounding the facility for environmental projects to protect and improve the environment and reduce

risks to public health. This SEP is administered by the Chesapeake Bay Trust, a nonprofit grant-making organization.



In the last year, the first installment of the criminal penalty in the amount of \$500,000.00, was paid to the Maryland Clean Water Fund. Additionally, the Chesapeake Bay Trust reports that one half of the SEP funds, totaling \$375,000.00, was paid as of August 19, 2024, with the following payments received:

Funds Received by Date	Amount
September 19, 2023	\$120,000.00
February 19, 2024	\$67,500.00
August 19, 2024	\$187,500.00

In July of 2024, as a result of the Unit’s criminal enforcement in this case, the Chesapeake Bay Trust, in partnership with the OAG, announced a new grant program aimed at supporting environmental projects led by community-based groups in Curtis Bay and its surrounding communities. These SEP funds were set aside for projects designed to provide tangible environmental or community benefits in affected areas. Non-profits organizations, community, homeowners, and/or neighborhood associations; faith-based organizations; and youth and civic groups were provided with opportunities to apply for grants ranging from approximately \$5,000 to \$100,000, depending on the type and scale of the project. The Trust reports that, for the Curtis Bay and surrounding South Baltimore communities, 17 applications were received, for a total requested amount of over \$1 million dollars. The program is now in the review stage, to be supported by community members and other subject matter experts. Funding decisions are anticipated to be announced by March 2025.

CONCLUSION

The Environmental and Natural Resources Crimes Unit is a unit within the Criminal Investigations Division of the Maryland Attorney General's Office, tasked with investigating and prosecuting environmental and natural resource violations and other associated criminal charges throughout the State of Maryland. These cases can involve the prosecution of both individuals and/or corporate entities in situations where the illegal conduct is determined to have caused, or could have caused, significant environmental harm or public health risk and/or involved deceptive and willful action or inaction. Referrals to ENRCU come from a variety of sources, including MDE, NRP, federal, State and local agencies, various law enforcement, citizen groups and citizens. For questions or referrals to the Unit, please contact the ENRCU via the contact information below.

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*Photo credit: Department of Natural Resources, Savage River Reservoir.

