



ORGANIZATION OF THE FIELD ENFORCEMENT DIVISION

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I. Legally Mandated Authority

The Field Enforcement Division was established in 1999, after Comptroller William Donald Schaefer elected to take a pro-active approach to tax crime violations. The Division was comprised of three smaller units that had been established in the Comptroller's Office, The Motor Fuel Testing Lab, Enforcement Section (Investigative Services Unit) and the License Bureau.

In January 2004, Comptroller Schaefer merged the Alcohol and Tobacco Tax Division with the Field Enforcement Division, establishing the Regulatory and Enforcement Division. In October 2005, Comptroller Schaefer continued with his efforts to streamline regulation and enforcement operations consolidated the Motor Fuel Tax Division and the Regulatory and Enforcement Division creating one division. These mergers have created four bureaus within the division: The Alcohol and Tobacco Tax Bureau, The Field Enforcement Bureau, Motor Fuel Tax Bureau, and the State License Bureau. After the election of Comptroller Peter Franchot as Comptroller, the Motor Fuel Alcohol and Tobacco Tax Division was created in May 2007. In April 2009 that function was brought under the current Field Enforcement Division. The Field Enforcement Division has been charged with investigating the following tax issues and violations:

- Tobacco Tax
- Motor Fuel/Motor Carrier Tax
- Transient Vendor Licenses
- Business Licenses
- Alcohol Beverage Laws
- Sales and Use Tax Collections
- Alcohol Tax
- Income Tax Fraud

Personnel of the Field Enforcement Division that are sworn police personnel derive their powers of arrest from the Annotated Code of Maryland, Alcohol Beverage Article (COMAR) and the Tax General Article of the State of Maryland. All police personnel are certified through the Maryland Police and Standards Commission in accordance with Article 41, Section 4-201 of the Annotated Code of Maryland.

II. ADMINISTRATION

Director: The director is responsible for the general administration and control of the Field Enforcement Division and the State License Bureau. The director reports to the Comptroller of Maryland and is a sworn police officer. The director is responsible for the government, efficiency and general conduct of the division. In addition to everyday duties, the director meets with other directors of the Comptroller's Office, recommends changes or revisions of revenue laws, and has final approval of all actions in the Field Enforcement Division.

Deputy Director: The employee serves as the Deputy Director of the Field Enforcement Division of the Comptroller of Maryland. In this capacity, the incumbent is responsible for assisting the Director in establishing the policies and procedures needed to ensure the most efficient and effective operation of the Division's five major areas of responsibilities: Enforcement, Inspection, Motor Fuel Laboratory, Business Licensing, and Regulation of the motor fuel, tobacco, and alcohol industries.

Enforcement Bureau, Agent in Charge: This position reports to the Director of the Field Enforcement Division. The Assistant Director for the enforcement bureau also referred to as the Agent in Charge supervises and conducts all alcohol, tobacco, tax fraud, and motor fuel investigations and has supervisory responsibility for all enforcement and compliance personnel. This position is also responsible to conduct and oversee any investigation deemed necessary by the Director, including internal investigations both within and outside this Division. This position is also responsible to coordinate efforts with all local, state and federal law enforcement agencies and prosecutors. This position is held by a sworn police officer.

Regulatory and Administrative Bureau, Assistant Director: has overall responsibility for all motor fuel, alcohol and tobacco regulatory matters as well as all legal and legislative issues relating to this function. This position oversees and is responsible for coordinating all efforts with industry leaders for alcohol, tobacco and motor fuel issues. This position is also responsible for trade practice investigations and all regulatory matters dealing with alcohol, tobacco and motor fuel wholesalers. This position is also responsible to oversee the State Licensing Bureau, the property management function, the Motor Fuel Testing Lab and the Division Administrative function.

III. ENFORCEMENT

Enforcement Agent Supervisor: This position reports to the Agent in Charge of the Field Enforcement Division. Duties include supervising field agents, conducting and supervising criminal investigations. This position reviews reports and correspondence for field personnel, and performs administrative duties as required. This position is held by a sworn police officer.

Enforcement Agents: This position reports to a supervising enforcement agent and is a sworn police officer. Duties include conducting surveillance activities, inspections and criminal investigations for violations of revenue laws. Agents also make collections for delinquent sales and use tax accounts. Agents may be required to work in undercover capacities during criminal investigations. Duties would also include motor fuel investigations, transient vendor inspections, business license inspections, and alcohol inspections.

IV. INSPECTIONS

Inspector In-Charge: This position reports to the Agent In-Charge of the Field Enforcement Division. Duties include supervising Inspector Supervisors and Inspectors, conducting and supervising investigations, planning, organizing, conducting and scheduling operation of inspection programs in the areas of alcohol, tobacco, transient vendors and motor fuels. This position reviews reports, manages correspondence from the motor fuel laboratory, Inspectors, petroleum industry and retail business. Perform administrative duties as required. Organizes and participates in commercial vehicle enforcement activities.

Inspector Supervisor: This position reports to the Inspector In-Charge. Duties include, supervising Inspectors. This position reviews reports, manages correspondence from motor fuel laboratory, Inspectors,

the petroleum industry and retail businesses. This position also assists with administrative duties as required. Duties include inspection of petroleum accounts to ensure compliance of motor fuel quality requirements and licensing with state and federal regulations. Conducts alcohol, tobacco, transient vendor and sales and use tax inspections. Participate in commercial vehicle enforcement activities.

Inspector: This position reports to the Inspector Supervisor. Inspector's duties include inspection of petroleum accounts to ensure compliance of motor fuel quality requirements and licensing with state and federal requirements and licensing with state and federal regulations. Inspectors conduct alcohol, tobacco, transient vendors and sales and use tax inspections. Inspectors participate in commercial vehicle enforcement activities.

V. INVESTIGATORS

Investigators: This position reports to the Agent In-Charge of Administrative Services. Duties include conducting permit inspections, trade practice approval and inspections, delinquent sale tax collections, property room operation, preparation of confiscated alcohol and tobacco for auction, and various other investigations relating to alcohol, tobacco, license and transient vendor activity.

VI. MOTOR FUEL TESTING LAB

The Motor Fuel Testing Laboratory has been established to perform the testing of all regulated fuels in support of the motor fuel inspection program and the Field Enforcement Division. Additionally, testing for the benefit of the State Implementation Plan, as needed for the State Department of the Environment, will be performed. The testing lab also performs alcohol testing for the Field Enforcement Division as well as other county agencies that inspect and regulate alcohol beverage licenses.

Specifications and test methods for the regulated fuels sold in Maryland have been promulgated based mainly on American Society for Testing and Materials (ASTM) standards. Additional regulations have been produced by the United States Environmental Protection Agency (US EPA), and incorporated into the Comptroller's inspection and testing program. Other methods may be used to provide more detailed information about fuels, when needed. This lab will participate in relevant industry methods studies to develop and maintain the validity of the test methods.

All test results and reports produced by this laboratory are the property of the Comptroller's Office and the Field Enforcement Division. The laboratory operates under the direction of the lab manager.

VII. STATE LICENSE BUREAU

The State License Bureau is responsible for monitoring state business licenses that are required for businesses, such as trader's licenses for retailers and wholesalers who sell goods and merchandise. Other business activities that require licenses include amusements, auctions, chain stores, construction, dry cleaners, garages, plumbers, gas fitters, restaurants, storage warehouses, scrap metal processors, vending machines and retail/vending machines which sell cigarettes. The licenses are valid May 1 through April 30 of the following year. The State License Bureau relays complaint information to the Enforcement Division, as well as assisting in license checks.

VIII. REGULATORY AND LICENSING SECTION

The Regulatory and Licensing Section was established within the Field Enforcement Division in August 2015. This sections core consists of the Licensing and Registration Unit which had most recently been with the Revenue Administration Division. The section is responsible for regulatory and legal work related to motor fuel tax and licensure, alcoholic beverages tax and licensure, tobacco tax and licensure and motor carrier tax and licensure. Maryland is a member jurisdiction of the International Fuel Tax Agreement (IFTA), which governs the motor carrier tax law. Slot machine regulation was added in 2011.

The primary responsibilities of the Regulatory and Licensing Section include disposition of license applications and the requisite investigations; the promulgation of regulations and legislation related to

motor fuel, alcoholic beverages, tobacco, slot machine and motor carrier taxes; responsive interaction with industry members, citizens, and businesses regarding motor fuel, alcoholic beverages, tobacco, and motor carrier issues and concerns; and the issuance of bulletins and administrative releases related to motor fuel, alcoholic beverages, tobacco, and motor carrier tax laws and regulations. The section is also responsible for coordination with federal, state, and local governments on matters related to motor fuel, alcoholic beverages, tobacco, slot machine and motor carrier tax laws and regulations.

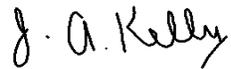
IX. FIELD ENFORCEMENT ORGANIZATIONAL CHART: (See Attached)

X. GENERAL FACILITIES SECURITY

The general security of the facilities within the Field Enforcement Division is the responsibility of the Field Enforcement Division personnel. Areas that house sensitive documents, evidence in criminal and administrative cases, sensitive or valuable items or material and other documents or material as deemed appropriate by the Director shall be kept in locked areas with access limited to a select designated supervisory personnel.

The Supervisor will collect all keys and related security access items assigned to personnel upon their leaving employment in this Division.

XI. CANCELLATION: None.



Jeffrey A. Kelly, Director