## UNITED STATES BANKRUPTCY COURT MIDDLE DISTRICT OF FLORIDA ORLANDO DIVISION www.flmb.uscourts.gov

IN RE

## NJ CRIMINAL INTERDICTION, LLC

## CASE NO.: 6:24-bk-00468-GER CHAPTER 11

Subchapter V Election

Debtor.

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# CHAPTER 11 CASE MANAGEMENT SUMMARY

NJ CRIMINAL INTERDICTION LLC, a Florida Limited Liability Company (the "Debtor" or "Street Cop"), by and through its undersigned counsel, and pursuant to Administrative Order FLMB 2009-1 and Local Rule 2081-1(b), hereby files its *Chapter 11 Case Management Summary* and states as follows:



## I. <u>Description of the Debtor's Business</u>

NJ Criminal Interdiction LLC (commonly known as Street Cop Training) is a Florida Limited Liability Company owned by Dennis Benigno (as its sole-managing member and Chief Executive Officer) and operated at a leased premises located at: 2301 Willet Place, #1319, Melbourne, Florida 32940.

Street Cop Training offers in-person and On Demand courses throughout the country aimed educating today's law enforcement personnel on emerging law enforcement topics and promoting safety for police officers in the line of duty. Street Cop Training promotes its courses and

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conferences at <u>www.streetcoptraining.com</u>, which site also features: (i) resources for law enforcement personnel seeking employment, (ii) a Street Cop Training Merchandise Store; and (iii) links to Street Cop Training's Podcast Episodes on Spotify.

The Debtor's seminars and conferences have been continuously offered for over 12 years gaining widespread support and approval from law enforcement agencies throughout the United States. In a given year, Street Cop Training instructs approximately 25,000 law enforcement officers and personnel.

## II. <u>Reasons for Filing Bankruptcy</u>

In October 2021, Mr. Benigno presented at a Street Cop Training conference in Atlantic City, New Jersey in front of over 1,000 attendees. Unbeknownst to Mr. Benigno or Street Cop Training at the time, the Atlantic City conference was recorded by a politically influenced attendee who shared a recording of the conference with a major media outlet compiling information for an article on the regulation of law enforcement training. Ultimately, statements made by Mr. Benigno at the Atlantic City conference - which were taken largely out of context to fit the purpose of a politically motivated "hit piece" on Street Cop Training and organizations offering police training - found their way into a published article by a major new outlet. The published article led to an investigation by Kevin D. Walsh as acting State Comptroller for the State of New Jersey, who later published (on December 6, 2023) a report titled "The High Price of Unregulated Private Police Training to New Jersey." The December 6<sup>th</sup> report does little to explain New Jersey's lack of regulation or its own shortcomings with respect to the oversight and monitoring of its own law enforcement agencies, and instead, portrays the State as a proactive governing body seeking to make an example out of Street Cop Training.

The Debtor disputes many of the "findings" made by the New Jersey State Comptroller in the December 6<sup>th</sup> report and has commenced litigation against the Acting State Comptroller for the State

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of New Jersey in Federal District Court pursuant to 42 U.S.C. § 1983 (Civil Action for Deprivation of Rights) seeking redress for the State's retaliation against, and harassment of, Mr. Benigno and Street Cop Training in violation of the U.S. Constitution. Debtor's lawsuit against the Acting State Comptroller for the State of New Jersey remained pending as of the filing of this Chapter 11 case.

Unfortunately for the Debtor and its estate, the December 6<sup>th</sup> report caused a significant disruption to the Debtor's operation. Shortly after the report was published, a number of Street Cop Training instructors resigned, and a number of states prohibited their law enforcement agencies from attending Street Cop Training seminars.<sup>1</sup> The effects of the report quickly impacted Debtor's operating cash flow at a time when Debtor was already suffering from the effects of a \$210,000.00 wrongful termination lawsuit and a \$500,000.00 software failure.

On January 30, 2024, Debtor received correspondence from the Attorney General of New Jersey who indicated the state would engage in additional investigations in furtherance of its pursuit of monetary penalties against Street Cop Training under applicable state law. Rather than subject the Debtor's depleted staff to additional harassment from the State of New Jersey, Street Cop Training elected to pursue Chapter 11 relief to restructure its financial affairs, dispute claims, and preserve its going concern value for the ultimate benefit of its creditors and estate.

## III. Ownership Interests in Debtor and Historical Revenue Performance

Debtor's membership interests are entirely held by Dennis Benigno who currently serves as Street Cop Training's Managing Member and Chief Executive Officer. Under Mr. Benigno's leadership, the Debtor has generated gross revenues as follows:

2021 - \$3,500,000.00 (approx.)

2022 - \$3,750,000.00 (approx.)

2023 - Calculation not available at time of filing

<sup>&</sup>lt;sup>1</sup> These states include: Minnesota, Missouri, Maryland, Illinois, California, Oregon, Nevada, Michigan and New Jersey.

2024 - (\$34,260.11)

## IV. Amounts Owed to Various Classes of Creditors

A. As of the Petition Date, the Debtor has approximately \$211,000.00 in unsecured debt obligations related to trade vendor invoices and credit card transactions.

B. Debtor believes it is current with the IRS as well as state taxing authorities.

## V. General Description and Approximate Value of Debtor's Assets

The Debtor has approximately \$209,000.00 cash on hand, audio and visual equipment valued at approximately \$7,000.00 (not appraised); and company branded items and apparel with a negligible value unless marketed and sold by the Debtor. Debtor's main assets consist of its personnel and instructors who facilitate the Debtor's various conferences and seminars.

## VI. <u>Number of Employees and Amounts Owed</u>

Street Cop Training currently operates with six (6) W-2 employees who oversee the Debtor's bookings, marketing efforts, merchandise sales and facilitate state education credits for its courses. Debtor also employs twelve (12) 1099 independent contractors who serve as instructors on an asneeded basis for booked courses.

## VII. <u>Anticipated Emergency Relief to be requested within 14 days from the Petition Date</u>

- A. Emergency Motion to Pay Affiliate Officer Salary (Pre- and Post-Petition)
- C. *Emergency Motion to Pay Pre-Petition Payroll*

**RESPECTFULLY SUBMITTED** this 2nd day of February 2024.

/s/ Daniel A. Velasquez Daniel A. Velasquez, Esq. Florida Bar No. 0098158 dvelasquez@lathamluna.com LATHAM, LUNA, EDEN & BEAUDINE, LLP 201 S. Orange Ave., Suite 1400 Orlando, Florida 32801 Telephone: 407-481-5800 Facsimile: 407-481-5801 Attorneys for NJ Criminal Interdiction LLC

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished either electronically and/or by U.S. First Class, postage prepaid overnight mail to: NJ Criminal Interdiction LLC, 2301 Willet Place #1319, Melbourne, FL 32940; all parties entitled to receive electronic noticing via CM/ECF; the twenty largest unsecured creditors as shown on the matrix attached to the original of this pleading filed with the Court; and Aaron R. Cohen, Subchapter V Trustee and Audrey M. Aleskovsky, U.S. Trustee, 400 W. Washington Street, Suite 1100, Orlando, Florida 32801, this 2nd of February 2024.

/s/ Daniel A. Velasquez Daniel A. Velasquez, Esq. Label Matrix for local noticing 113A-6 Case 6:24-bk-00468-GER Middle District of Florida Orlando Fri Feb 2 13:54:55 EST 2024

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End of Label Matrix Mailable recipients 20 Bypassed recipients 0 Total 20 Case 6:24-bk-00468-GER Doc 9-1 886 Consulting LLC 48 Meadow Rue Place Ballston Spa, NY 12020-4365

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Plosia Cohen LLC 385 Route 24 Chester, NJ 07930-2918

Underworld LLC 8 Orchard Drive Whitehouse Station, NJ 08889-2036 Page 1 of 1 Adeptus Partners, LLC 733 Route 35 Suite A Asbury Park, NJ 07712-4765

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