



Department of Justice

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FEDERAL GRAND JURY BRINGS ADDITIONAL CORRUPTION CHARGES AGAINST ST. TAMMANY PARISH COUNCILMAN

Jim Letten, United States Attorney for the Eastern District of Louisiana, James Bernazzani, Special Agent in Charge, Federal Bureau of Investigation, and Charles Haas, Special Agent in Charge, Department of Homeland Security, announced today that a Grand Jury sitting in the Eastern District of Louisiana returned a superseding indictment against **JOSEPH ANTHONY IMPASTATO**, a St. Tammany Parish Councilman. **IMPASTATO** had previously been charged by the same Grand Jury in a three (3) count indictment returned on December 16, 2005. The December, 2005 indictment charged in Count 1 that **IMPASTATO** engaged in a conspiracy to interfere with commerce by extortion, in violation of Title 18, United States Code, Section 1951(a) (commonly known as the Hobbs Act). Count 2 charged **IMPASTATO** with interfering with commerce by extortion, in violation of Title 18, United States Code, Section 1951(a). Count 3 charged **IMPASTATO** with conducting and attempting to conduct money laundering, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(I). If convicted of Counts 1 and 2, the defendant faces a maximum penalty of twenty years (20) imprisonment and a fine of up to \$250,000 on each count. If convicted of Count 3, the defendant faces a maximum penalty of twenty (20) years imprisonment and a fine of up to \$500,000.

The December, 2005 indictment charged that **IMPASTATO** used his official position as a councilman to obtain inside information about the debris removal contract resulting from Hurricane Katrina, and further charged that the defendant used his official position to influence Omni Pinnacle, a prime contractor of St. Tammany Parish, to enter into a contract with the victim, Pontchartrain Chipping Yard. **IMPASTATO**, who is councilman for the owners of Pontchartrain Chipping Yard, allegedly pressured the owners to pay him 50% of the funds Pontchartrain received from Omni Pinnacle.

The indictment further alleged that when the victims were hesitant to accede to **IMPASTATO'S** demands, he used fear of economic harm, including inducing the owners believe to that he was making Omni Pinnacle withhold monies due them for prior debris removal.

The indictment further alleged that **IMPASTATO** influenced and directed Pontchartrain Chipping Yard to make payments to **IMPASTATO** through another individual, when in reality, the money was intended for **IMPASTATO**.

The superseding indictment returned on August 11, 2006 brings additional charges concerning **IMPASTATO'S** attempted extortion of another St. Tammany Parish land owner, in 2005, after Hurricane Katrina devastated St. Tammany Parish, a violation of Title 18, United

States Code, Section 1951(a). According to the indictment, this land owner, like Pontchartrain Chipping Yard, had a large parcel of rural land well suited for debris dumping. **IMPASTATO** attempted to obtain 50% of an expected debris dumping contract with the St. Tammany Parish land owner, and allegedly made it clear to the land owner if the land owner did not kick back 50% of the total value of the contract to **IMPASTATO**, he would not assist in obtaining the dumping contract for the St. Tammany Parish land owner with the contractor which had the Government contract.

IMPASTATO is additionally charged with soliciting and attempting to receive illegal gratuities from Pontchartrain Chipping Yard and the other St. Tammany Parish land owner, a violation of Title 18, United States Code, Section 666. The indictment alleges that in both instances, **IMPASTATO** by virtue of his office as an agent of St. Tammany Parish Government and the City of Mandeville, parts of which are included in his councilmanic district, did seek to receive an illegal gratuity, namely the 50% kick back on both the Pontchartrain Chipping dump site and other land site which is prohibited by federal law as long as the state entities receive more than \$10,000.00 a year from the Federal Government. The indictment alleges that both St. Tammany Parish and the City of Mandeville received in excess of \$10,000.00 from the Federal Government.

The latest indictment also charges **IMPASTATO** with attempting to launder a \$10,000.00 check to an attorney, Mr. F., a violation of Title 18, United States Code, Section 1956(a)(1)(B)(I). The indictment also includes notice of forfeiture provision in as much as the Government is entitled to forfeit any illicit proceeds derived from **IMPASTATO**'s illegal activities. The Government seeks up to \$1,084,833.84 from **IMPASTATO** in forfeiture. If convicted of the additional attempted extortion count, **IMPASTATO** faces up to twenty (20) years in prison and a fine of \$250,000.00. The penalty for the two solicitation of illegal gratuity counts is ten (10) years in prison and a \$250,000.00 fine on each count. The new attempted money laundering count penalty is twenty (20) years in prison and a \$500,000.00 fine. As with any indictment, the latest charges are simply allegations which must be proven by the Government beyond a reasonable doubt at a trial which is currently set before United States District Judge Stanwood R. Duval, Jr. on October 16, 2006 in New Orleans. This case is being prosecuted by Assistant United States Attorneys Carter K. D. Guice, Jr. and Peter M. Thomson.