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Former Hoboken Mayor Admits Extorting Cash Contributions in Return for Official Influence

(More)

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NEWARK, N.J. – Peter J. Cammarano III, former Mayor of the City of Hoboken, pleaded guilty today and admitted accepting \$25,000 in illicit cash contributions in exchange for exercising his future official influence and authority, United States Attorney Paul J. Fishman announced.

Cammarano, 32, of Hoboken, appeared before United States District Judge Jose L. Linares and pleaded guilty to a one-count criminal Information charging him with conspiracy to commit extortion under color of official right. Judge Linares continued Cammarano's release on a \$100,000 bond pending sentencing, which is scheduled for August 3, 2010.

At his plea hearing, Cammarano admitted that, while he was an at-large Councilman for the City of Hoboken and candidate for the position of Mayor, he accepted three illicit cash campaign contributions totaling \$15,000 from a cooperating witness ("CW"), who purported to be a real estate developer. Cammarano further admitted that on July 16, 2009, after he had been elected and sworn in as Mayor, he accepted an additional \$10,000 illicit cash campaign contribution from the CW.

Cammarano admitted that all of the \$25,000 in cash payments were in exchange for his future official assistance, action and influence in Hoboken government matters pertaining to the CW's anticipated real estate development projects. Cammarano further admitted that all of the illicit cash he accepted from the CW was paid through Michael Schaffer, Edward Cheatam, and an individual referred to in the Information as the "Consultant."

U.S. Attorney Fishman stated: "Today, Peter Cammarano admitted that he sold his influence as Hoboken's mayor before and after he was elected and took office. Every time public officials make that choice, they betray not only their constituents, but all of their colleagues who serve selflessly."

"This case serves as an unfortunate example of how pervasive public corruption can be considering the fact that someone so young in his political career can succumb to such enticements," said Michael B. Ward, Special Agent In Charge of the Federal Bureau of Investigation's Newark division. "The public should expect its officials to be held to the highest levels of integrity and anything less will be vigorously pursued and investigated."

Today's guilty plea stems from a two-track undercover FBI investigation into public corruption and money laundering which resulted in the charging of 44 individuals via criminal Complaints on July 23, 2009.

The charge to which Cammarano pleaded guilty carries a maximum statutory penalty of 20 years in prison and a \$250,000 fine. As part of Cammarano's guilty plea, he agreed to forfeit the \$25,000 in illicit cash contributions that he accepted.

Cheatam pleaded guilty before Judge Linares on September 18, 2009, to conspiracy to commit extortion under color of official right, and awaits sentencing. The case against Schaffer is pending.

In determining an actual sentence, Judge Linares will consult the advisory U.S. Sentencing

Guidelines, which recommend sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors, including acceptance of responsibility. The judge, however, has discretion and is not bound by those guidelines in determining a sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all of that time.

U.S. Attorney Fishman credited Special Agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward, and Special Agents of the Internal Revenue Service Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation leading to today's guilty plea.

The case against Cammarano is being handled by Assistant U.S. Attorney Brian R. Howe, Deputy Chief, and Assistant U.S. Attorney Bradley A. Harsch, both of the U.S. Attorney's Office's Special Prosecutions Division.

The charges and allegations contained in the Complaint against Schaffer are merely accusations, and the defendant is considered innocent unless and until proven guilty.

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Defense Counsel: Joseph A. Hayden, Jr., Esq. and Kevin A. Buchan, Esq., Roseland, New Jersey