

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA :
 :
 v. : Criminal No. 08-
 :
 JOSEPH CONIGLIO : 18 U.S.C. §§ 1341, 1346,
 : 1951(a) & § 2

I N D I C T M E N T

The Grand Jury in and for the District of New Jersey,
sitting at Newark, charges:

COUNTS 1 TO 8

(Scheme to Defraud the Public of Defendant Coniglio's Honest
Services By Use of the Mails)

Defendant JOSEPH CONIGLIO

1. At all times relevant to Counts 1 to 8:

(A) defendant JOSEPH CONIGLIO was a State Senator representing New Jersey's 38th Legislative District, a district that included numerous Bergen County municipalities, having been first elected in or about November 2001. From in or about 2004, defendant CONIGLIO was a member of the Senate Budget and Appropriations Committee ("Budget Committee"). He also was Chairman for the State Government Committee and a member of the Senate Labor Committee. Prior to serving as a State Senator, defendant CONIGLIO served as a local official in various capacities in Paramus, New Jersey, including as a Paramus Borough Councilman. Defendant CONIGLIO also was a plumber by trade, having worked in such capacity for approximately 40 years.

(B) As a State Senator, defendant JOSEPH CONIGLIO's official duties included, but were not limited to, (a) proposing, drafting and voting on legislation, including budget appropriations and other initiatives related to State spending; (b) conducting and participating in committee hearings; (c) exercising legislative oversight with regard to State agencies and departments; (d) voting on the confirmation of high-ranking State officials; (e) making recommendations to and negotiating with State agencies; and (f) providing constituent services for New Jersey citizens and organizations, which services included defendant CONIGLIO bringing the merits of a constituent's position to the attention of a State department or agency, and making a recommendation on a matter or supporting a constituent's position before a State department or agency. Defendant CONIGLIO's annual salary as a State Senator was approximately \$49,000. Defendant CONIGLIO maintained his district Senate office ("District Office") in Paramus, New Jersey.

(C) Defendant JOSEPH CONIGLIO employed a Chief of Staff (the "Chief of Staff"), whose salary was paid by the State of New Jersey, to assist in overseeing defendant CONIGLIO's Senate office. The Chief of Staff's responsibilities included running the day-to-day operations for the Senate office and assisting defendant CONIGLIO in conducting his official duties.

Hackensack University Medical Center

2. At all times relevant to Counts 1 to 8:

(A) Hackensack University Medical Center ("HUMC") was a not-for-profit, tertiary-care, teaching and research hospital located in Hackensack, in New Jersey's 37th Legislative District, that cared for patients from throughout the United States and that purchased goods and services in interstate commerce. As the largest employer in Bergen County, and one of the premier providers of inpatient and outpatient services in the State of New Jersey, HUMC received millions of dollars in annual funding from the State of New Jersey. HUMC was divided into two primary areas, the Medical Center and the Foundation. The Medical Center was responsible for, among other things, the delivery of medical care and the maintenance of HUMC's facilities, as well as the expansion of HUMC through the acquisition of real estate and the construction of additions to existing buildings and the construction of new buildings. The Foundation was responsible for raising money for HUMC from public and private sources, including the State of New Jersey.

(B) HUMC employed an individual to serve as the President and Chief Executive Officer of HUMC (the "HUMC CEO"). The HUMC CEO was responsible for all of HUMC's day-to-day operations and had ultimate responsibility and decision-making authority for both the Medical Center and the Foundation. The

HUMC CEO reported to the HUMC Board of Governors.

(C) HUMC employed an individual to serve as the Vice President and Chief Operating Officer of the Foundation (the "Foundation COO"). The Foundation COO was responsible for raising funds for HUMC from both private and public sources. The Foundation COO reported to the HUMC Foundation Board of Trustees and the HUMC CEO, and the HUMC CEO served as the Foundation COO's superior.

(D) HUMC employed an individual to serve as the Vice President for Corporate and Facilities Development (the "VP of Development"). The VP of Development was responsible for project development for the Medical Center, including the acquisition of real estate, project planning and building. The VP of Development reported to the HUMC CEO, and the HUMC CEO served as the VP of Development's superior.

State of New Jersey Budget

3. At all times relevant to Counts 1 to 8:

(A) The New Jersey State Legislature was responsible for passing a State Budget (the "Budget"). The Budget was usually passed annually at the end of June or the beginning of July. The Budget for the fiscal year 2005 (the "FY2005 Budget") was passed on or about June 30, 2004.

(B) In addition to the specific line items described in the FY2005 Budget, the FY2005 Budget also contained

approximately \$88 million of money designated for Property Tax Assistance Community Development Grant funding ("PTACDG Money") - colloquially referred to as "Christmas Tree Money," "Christmas Tree Items," and "Earmarks." The PTACDG Money was discretionary money that members of the Senate and the New Jersey General Assembly (the "Assembly") sought to obtain for their favored (often local) projects or interests. Since the members of the Democratic Party were the majority party in the Legislature, Democratic Senators and Assembly Members were more likely to receive PTACDG Money than were their Republican counterparts who were the minority party. Moreover, the members of the Senate and Assembly Budget Committees were more likely to receive PTACDG funds than were their legislative colleagues who were not members of the Budget Committee. Consequently, in 2004, as a Democratic Senator with a seat on the Budget Committee, defendant JOSEPH CONIGLIO was in an influential position to obtain PTACDG Money.

(C) The FY2005 Budget contained no language identifying the specific recipients of the PTACDG Money. In addition, no publicly-filed documents identified the members of the legislature who advocated for, or sponsored, a particular recipient of the PTACDG Money.

The Public's Right to, and Defendant JOSEPH CONIGLIO's Duty of, Honest Services

4. At all times relevant to Counts 1 to 8, the State of

New Jersey and its citizens had an intangible right to the honest services of their State Senators who stood in a fiduciary relationship to the citizens whom they were elected to serve. As a Senator for the State of New Jersey, and a fiduciary and trustee for the public, defendant JOSEPH CONIGLIO, therefore, owed the State of New Jersey and its citizens a duty to, among other things:

(A) refrain from soliciting, accepting and agreeing to accept from another any benefit as consideration for (i) a decision, opinion, recommendation, vote and exercise of discretion as a State Senator; (ii) a violation of his official duties as a State Senator; and (iii) the performance of his official duties as a State Senator, pursuant to NJSA § 2C:27-2;

(B) refrain from accepting from any person any gift, favor, service, employment and offer of employment and any other thing of value which he knew and had reason to believe was offered to him with intent to influence him in the performance of his public duties and responsibilities, pursuant to NJSA § 52:13D-14;

(C) refrain from soliciting, receiving, and agreeing to receive any compensation, reward, employment, and gift or other thing of value from any source other than the State of New Jersey, for any service, advice, assistance or other matter related to the State Senator's official duties, pursuant to NJSA

§ 52:13D-24; and

(D) disclose, and not deliberately conceal, personal financial interests and other material information in official matters over which defendant CONIGLIO exercised and attempted to exercise official authority and discretion, pursuant to his fiduciary duty of honesty as a public official under New Jersey law.

Scheme and Artifice to Defraud the Public of Honest Services

5. From in or about January 2004 to in or about August 2006, in Mercer and Bergen Counties, in the District of New Jersey, and elsewhere, defendant

JOSEPH CONIGLIO

and others did knowingly and willfully devise and intend to devise a scheme and artifice to defraud the State of New Jersey and its citizens of the right to defendant JOSEPH CONIGLIO's honest services in the affairs of the State of New Jersey.

6. The objects of this scheme and artifice to defraud were that

(A) defendant JOSEPH CONIGLIO peddled his official influence as a State Senator to HUMC in order for defendant CONIGLIO to accept and receive, under the guise of a company, a stream of corrupt payments primarily in exchange for defendant CONIGLIO exercising and attempting to exercise official action and influence as a State Senator in an attempt to obtain funding and other benefits for HUMC from the State of New Jersey and its departments and agencies as specific opportunities arose; and

(B) defendant JOSEPH CONIGLIO, with the assistance of others, intentionally did not disclose, and attempted to conceal, material information regarding the complete extent of defendant CONIGLIO's arrangement with HUMC, including his receipt of a stream of payments from HUMC, in connection with official matters over which he exercised and attempted to exercise official authority and discretion in favor of HUMC.

7. It was part of this scheme and artifice to defraud that:

(A) In or about January 2004, in or about the time that he was appointed to a seat on the influential Budget Committee, defendant JOSEPH CONIGLIO, in his official capacity as State Senator, met with the HUMC CEO at the hospital, where they discussed legislative issues affecting HUMC and the direction of the hospital. As noted in his follow-up letter to the HUMC CEO dated January 21, 2004, defendant CONIGLIO "[looked] forward to making [HUMC] the best in New Jersey" and suggested that the HUMC CEO contact the Chief of Staff if the HUMC CEO needed "further information."

(B) Between in or about February and in or about March 2004, following his meeting with the HUMC CEO, defendant JOSEPH CONIGLIO began negotiating an arrangement with HUMC to be paid as a consultant. In or about this time, the HUMC CEO had discussions with prominent members of the HUMC Board of Governors regarding the hiring of defendant CONIGLIO.

(C) On or about March 31, 2004, in a letter to the Foundation COO, defendant JOSEPH CONIGLIO misleadingly outlined areas in which he could be of value to HUMC, including fostering a positive public image and working with local government in order to "enhance the mission of Hackensack University Medical Center." Defendant CONIGLIO, alluding to his appointment to the Budget Committee, further conveyed that he was "certainly open to explore other areas that will attain the highest level of benefit to the Medical Center."

(D) In or about April 2004, defendant JOSEPH CONIGLIO caused to be formed a limited liability company named VJC Consulting, LLC ("VJC"), purporting to be a company whose sole principals were defendant CONIGLIO and his wife. The business address for VJC was the same address as defendant CONIGLIO's Paramus residence. VJC had no paid employees other than defendant CONIGLIO, who was the only individual to draw substantial payments from a bank account in the name of VJC at Columbia Bank.

(E) On or about May 1, 2004, defendant JOSEPH CONIGLIO, as the "Managing Member" of VJC, and the Foundation entered into a written agreement ("Agreement"), which misleadingly represented VJC to be "engaged in the business of hospital relations in varying aspects." In reality, VJC had been organized less than a month before, had no clients at that time

other than HUMC, and neither of its two purported principals - defendant CONIGLIO and his wife, who already was employed as the clerk to the Bergen County Board of Chosen Freeholders - possessed any experience in the business of "hospital relations." Moreover, as drafts of the Agreement were written and reviewed, defendant CONIGLIO agreed to substitute VJC in place of himself as a party to the Agreement, and to change the business that he would conduct from "public relations" to "hospital relations."

(F) The Agreement was misleadingly drafted to state that defendant JOSEPH CONIGLIO would "provide consulting services to [HUMC Foundation] in matters of promoting and fostering a positive public image of Hackensack University Medical Center through various Foundation related activities; work with neighboring corporations and community outreach entities to promote the mission of the Medical Center and other related matters as [HUMC Foundation] shall reasonably request," for which HUMC Foundation would pay VJC \$5,000 per month plus approved expenses. This statement masked and omitted a central reason for defendant CONIGLIO accepting consulting payments from HUMC through VJC, which was to assist HUMC in his official capacity as a State Senator in obtaining funding and support from the State of New Jersey for HUMC and its programs, and to reward defendant CONIGLIO financially for taking these and other official actions favoring HUMC as specific opportunities arose.

8. It was a further part of this scheme and artifice to defraud that at the outset of his arrangement with HUMC, in order to signal his willingness and ability to assist HUMC in securing State funding and reinforce his value to the HUMC, defendant JOSEPH CONIGLIO:

(A) between in or about May and in or about June 2004, provided to the Foundation COO a letter written by another foundation to defendant CONIGLIO, which revealed the availability of State funding to health care centers selected as Regional Arthritis Centers and sought defendant CONIGLIO's support for increased State funding, so that HUMC understood that it, too, could solicit and rely upon defendant CONIGLIO's official support;

(B) between in or about May and in or about June 2004, in response to the Foundation COO's request for guidance on how to proceed with the arrangement, (i) reminded the Foundation COO that defendant CONIGLIO was still his State Senator; (ii) indicated that he had the necessary approval from the State Legislature to proceed with the arrangement with the Foundation, and (iii) emphasized that he, defendant CONIGLIO, would decide what was right and what was wrong, and what he could and could not do for HUMC; and

(C) on or about June 29, 2004, prepared a memo on his personal facsimile transmittal sheet to the Foundation COO (the

"Budget Memo"), disclosing non-public information about approximately \$11,368,540 in new State of New Jersey funding that HUMC could expect from the FY2005 Budget, which did not become public until the budget bill was signed by the Governor on or about June 30, 2004. In the Budget Memo, defendant CONIGLIO, using information acquired in the performance of his official duties as a State Senator and member of the Budget Committee, revealed that HUMC would receive approximately \$9 million in additional charity care subsidies - a matter having a profound financial impact on HUMC. Charity care subsidies were monies paid by the State of New Jersey to hospitals that treat uninsured patients who lack the ability to pay for their medical care. Additionally, defendant CONIGLIO reported that HUMC would receive \$500,000 for capital, \$1 million for its cancer program, and \$900,000 for stem cell research.

9. It was a further part of this scheme and artifice to defraud that in consideration for this stream of monthly payments from HUMC, defendant JOSEPH CONIGLIO appeared for, and advocated on behalf of, HUMC with State departments and agencies, and used his official position to attempt to influence those departments and agencies to take action favorable to HUMC, including:

(A) On or about August 5, 2004, the Foundation COO wrote to defendant JOSEPH CONIGLIO at his District Office, seeking defendant CONIGLIO's official assistance in securing

\$900,000 of State of New Jersey funding for HUMC's cancer center. Using his official influence as a State Senator, defendant CONIGLIO endorsed HUMC's State funding request, which resulted in the New Jersey Department of the Treasury (the "NJDT") issuing a check to HUMC for the full \$900,000 in PTACDG monies on or about February 9, 2005.

(B) On or about August 5, 2004, the Foundation COO again wrote to defendant JOSEPH CONIGLIO at his District Office, seeking defendant CONIGLIO's official assistance in securing \$500,000 of additional State of New Jersey funding for the children's hospital at HUMC. Using his official influence as a State Senator, defendant CONIGLIO endorsed HUMC's State funding request, which resulted in the NJDT issuing a check to HUMC for \$250,000 in PTACDG monies on or about February 9, 2005.

(C) In or about September 2004, HUMC sought defendant JOSEPH CONIGLIO's official assistance in obtaining State of New Jersey funding for HUMC programs related to child abuse prevention. In response, on or about September 23, 2004, defendant CONIGLIO, among other legislators, wrote on official letterhead to the New Jersey Department of Human Services ("NJ DHS") to attempt to favorably influence NJ DHS to grant HUMC's funding request.

(D) In or about September 2004, HUMC again sought defendant JOSEPH CONIGLIO's official assistance in obtaining

State of New Jersey funding for a seatbelt study undertaken by the HUMC trauma center. Using his official influence as a State Senator, defendant CONIGLIO, on or about September 30, 2004, wrote on official letterhead to NJDHS endorsing HUMC's State funding request, which resulted in the New Jersey Department of the Treasury (the "NJDT") issuing a check to HUMC for \$70,000 on or about May 23, 2005.

10. It was a further part of this scheme and artifice to defraud that in consideration for this stream of monthly payments from HUMC, defendant JOSEPH CONIGLIO, in his position as State Senator, personally met with HUMC personnel and others, and entertained legislative-related requests from HUMC to him and his Senate staff, including:

(A) In or about June 2004, defendant JOSEPH CONIGLIO and another elected official met with HUMC personnel, including the HUMC CEO and HUMC's lobbyist, to discuss ways to maximize State of New Jersey funding for hospital-provided charity care. At this meeting, the HUMC CEO and others expressed their concern over the limited amount of State charity care subsidies that HUMC was receiving, and sought defendant CONIGLIO's official assistance to increase the amount of State charity care money that HUMC received - an issue defendant CONIGLIO shortly thereafter addressed in his June 29, 2004 Budget Memo to the Foundation COO.

(B) On or about July 12, 2004, the Chief of Staff received a request from the Foundation to contact the Office of Legislative Services ("OLS"), a non-partisan division of the New Jersey Legislature that provided support to members' legislative offices, about various legislative concerns of HUMC's pediatric oncology center. In response to that request, a member of defendant CONIGLIO's staff, using the influence of defendant CONIGLIO's Senate office, called upon OLS to provide the requested guidance. OLS provided the information in a memorandum to defendant CONIGLIO dated July 30, 2004, which defendant CONIGLIO's staff subsequently forwarded to HUMC.

(C) In or about January 2005, HUMC called upon the Chief of Staff for assistance in facilitating the State of New Jersey's release of hundreds of thousands of dollars in approved PTACDG funding to HUMC. These were the monies referenced in paragraphs 9(A) and (B) that defendant CONIGLIO had endorsed on behalf of HUMC. In response, the Chief of Staff, using the influence of defendant CONIGLIO's Senate office, contacted Senate officials in an attempt to expedite payment to HUMC. On or about February 11, 2005, HUMC received two checks - one for \$900,000 and one for \$250,000 (together, the "PTACDG checks").

(D) In or about February 2005, and in or about October 2005, defendant JOSEPH CONIGLIO met with HUMC personnel

at the hospital to discuss, among other things, State of New Jersey funding to benefit the prostate cancer institute at HUMC. HUMC sought defendant CONIGLIO's official influence in securing approximately \$1.5 million to fund a prostate cancer program at HUMC.

(E) In or about April 2005, defendant JOSEPH CONIGLIO met with HUMC personnel, among others, to discuss the need for increased State of New Jersey funding for HUMC's new cancer center, for which the hospital sought to raise approximately \$100 million.

(F) In or about June 2005, defendant JOSEPH CONIGLIO met with the HUMC CEO, the Commissioner of the New Jersey Department of Health and Senior Services ("NJDHSS"), and others at the hospital, to discuss State of New Jersey support for the hospital's attempt to secure additional State funding for the cancer center. Approximately three months later, in or about September 2005, NJDHSS issued a notification of award to HUMC for \$9 million in State funding.

(G) In or about July 2005, defendant JOSEPH CONIGLIO met with HUMC personnel at the hospital to discuss State of New Jersey funding for a comprehensive stroke center at HUMC. HUMC sought defendant CONIGLIO's official assistance to ensure a successful review of a grant application by NJDHSS. The application was granted and in or about January 2006 HUMC was

awarded \$64,000 in State funding.

(H) On or about November 8, 2005, defendant JOSEPH CONIGLIO received a facsimile transmittal from HUMC requesting his official assistance in addressing an adverse ruling from the State of New Jersey on a charity care issue. The HUMC CEO had directed others at HUMC to contact defendant CONIGLIO and HUMC's lobbyist in order to obtain advice on the issue, and defendant CONIGLIO, in turn, again entertained HUMC's requests for his official assistance in obtaining money from the State of New Jersey.

(I) In or about November 2005, defendant JOSEPH CONIGLIO spoke with HUMC personnel about State of New Jersey regulations affecting hospice care and Medicare reimbursement. HUMC sought defendant CONIGLIO's official influence to raise HUMC's concerns to the NJDHSS in order to facilitate sought-after changes in the hospice regulations.

11. It was a further part of this scheme and artifice to defraud that in or about February 2005, about when HUMC received the PTACDG checks from the State, defendant CONIGLIO was awarded a raise of \$500 per month, increasing the monthly payments to \$5,500. Defendant CONIGLIO, through VJC, received and accepted a stream of payments from HUMC of approximately \$35,150 in 2004, \$44,000 in 2005, and \$24,750 in 2006, for a total of approximately \$103,900.

12. It was a further part of this scheme and artifice to defraud that defendant JOSEPH CONIGLIO and others intentionally and deliberately undertook measures to not disclose and conceal the corrupt aspects of defendant CONIGLIO's arrangement, to include the following:

(A) Defendant JOSEPH CONIGLIO and others misleadingly caused the Agreement to state (i) that the Agreement was between VJC and HUMC when, in fact, VJC merely was a name on a bank account whose proceeds primarily benefitted defendant CONIGLIO, and (ii) that VJC's job was to "provide consulting services to Client in matters of promoting and fostering a positive public image of Hackensack University Medical Center through various Foundation related activities; work with neighboring corporations and community outreach entities to promote the mission of the Medical Center and other related matters as the Client shall reasonably request," while omitting any reference to defendant CONIGLIO's use of his position as a State Senator to attempt to assist HUMC in obtaining State funding and other benefits. Based on this description, the position was inaccurately understood by unknowing third parties to be simply a "community outreach" or "public relations" job. In reality, defendant CONIGLIO's true value to the hospital was in his position as a State Senator, and a central task for which defendant CONIGLIO received monthly payments from HUMC was to use his official position to advocate

on behalf of HUMC with State officials and legislators and to provide official assistance in obtaining State funds and other benefits for HUMC.

(B) Defendant JOSEPH CONIGLIO regularly billed HUMC \$5,000 per month from in or about May 2004 to in or about January 2005, and \$5,500 per month from in or about February 2005 to in or about February 2006. In each invoice, and for every month, defendant CONIGLIO described the services that VJC purportedly provided as simply "Consulting Services." By not further detailing the nature of these "consulting services", and omitting any mention of the official assistance that he provided HUMC in his capacity as State Senator, defendant CONIGLIO continually concealed from discovery a complete description of his paid services.

(C) In annual financial disclosure statements, in which all New Jersey State Senators, among others, were required to publicly disclose all of their sources of income in excess of \$1,000, defendant JOSEPH CONIGLIO disclosed VJC as a source of income, and not HUMC, despite the fact that (i) VJC was specifically created by defendant CONIGLIO as a vehicle through which he could accept the proceeds that he received from his arrangement with HUMC; and (ii) VJC had no clients at the time other than HUMC.

(D) At meetings with State officials regarding HUMC, and in his dealings with staff and members of the New Jersey State Legislature with whom he worked on State budget issues related to HUMC, defendant JOSEPH CONIGLIO did not disclose the true nature of his arrangement involving HUMC - namely, that he was accepting payments from HUMC principally to assist in obtaining State of New Jersey funding and other benefits for HUMC.

(E) In or about May 2005, in New Jersey, defendant JOSEPH CONIGLIO participated in an interstate telephone conference with the HUMC CEO, the Foundation COO, and HUMC's Chief Public Affairs Officer who was in South Carolina at the time, to discuss a local newspaper's inquiry into the hospital's relationship with defendant CONIGLIO. Based on misleading and incomplete information that was provided to the Chief Public Affairs Officer, defendant CONIGLIO and others caused HUMC to issue a misleading written statement to the newspaper, explaining that "Mr. CONIGLIO was hired as a consultant by Hackensack University Medical Center to offer his expertise in the construction trades ultimately helping us with the expansion of the Women's and Children's Pavilion and the proposed Cancer Center."

(F) In or about May 2005, defendant CONIGLIO's Chief of Staff falsely stated to the newspaper that defendant CONIGLIO

did not use his Senate position to assist HUMC. In explaining that none of the private consulting work with HUMC was performed out of the Senate Office, the Chief of Staff falsely stated in substance and in part, "There is a complete split between Senator CONIGLIO's personal, private business life and his legislative life. . . . People from the hospital know not to call our office." In fact, as the Chief of Staff knew, defendant CONIGLIO was using his Senate Office to assist HUMC, and HUMC personnel freely and frequently contacted defendant CONIGLIO's Senate Office and staff, particularly the Chief of Staff, with requests for official assistance, which defendant CONIGLIO and his Chief of Staff routinely entertained while defendant CONIGLIO was accepting monthly payments through VJC from HUMC.

(G) On or about February 20, 2006, defendant JOSEPH CONIGLIO wrote to HUMC's VP of Development indicating misleadingly that he was terminating the Agreement on account of the completion of the Women's and Children's Pavilion (the "Pavilion") at HUMC and the press of other business. In fact, apart from attending a few meetings, defendant CONIGLIO had little involvement with the Pavilion project, and HUMC (and not defendant CONIGLIO) had decided to terminate the Agreement.

(H) On or about August 8, 2006, defendant JOSEPH CONIGLIO responded by letter to a request for information from the Joint Legislative Committee on Ethical Standards ("Ethics

Committee"), a bi-partisan committee of the New Jersey Legislature that was investigating the services that defendant CONIGLIO was providing to HUMC and his involvement in appropriating State funds for HUMC.

(i) Despite having advocated to various parts of the State government on behalf of HUMC for hundreds of thousands of dollars in State funding - including the PTACDG and other monies, as set forth in paragraph 9 - defendant CONIGLIO falsely represented to the Ethics Committee "that at no time did I advocate or promote any grants, including the \$250,000 or \$900,000 grants for the Medical Center. I had no discussions with any member of the Executive Branch regarding these grants."

(ii) In misleadingly describing the services that he performed for HUMC, defendant CONIGLIO stated that he was asked to work on labor and construction matters for the hospital that fell within his area of expertise, including construction on the Pavilion. In fact, defendant CONIGLIO's superficial involvement in construction at HUMC, particularly with regard to the Pavilion, was calculated to divert attention from the paid services that he was providing to HUMC in consideration for his official action and influence as a State Senator.

(iii) Although the Ethics Committee specifically instructed defendant CONIGLIO to "detail what involvement, if any, [defendant CONIGLIO] had in appropriating funds to [HUMC]

and provide all documentation relating thereto," and to "provide copies of all documentation relating to [defendant CONIGLIO's] provision of services to the Hackensack University Medical Center," defendant CONIGLIO omitted any mention of the many instances in which he used his official position as a State Senator to assist HUMC in attempting to obtain state funding, and failed to disclose to the Ethics Committee any of the documents indicating the official assistance that he took on behalf of the hospital while accepting monthly payments from HUMC through VJC, such as (i) the June 29, 2004 Budget Memo that defendant CONIGLIO sent to the Foundation COO, as set forth in paragraph 8(C) of Counts 1 to 8; (ii) the two August 5, 2004 letters from the Foundation COO to defendant CONIGLIO requesting a total of \$1.4 million in State funding, as set forth in paragraphs 9(A) and (B) of Counts 1 to 8; and (iii) the two September 2004 letters of support sent to the NJDHS in which defendant CONIGLIO officially endorsed HUMC's funding applications, as set forth in paragraphs 9(C) and (D) of Counts 1 to 8. As a result, defendant CONIGLIO caused the Ethics Committee to dismiss its investigation on December 14, 2006, for insufficient evidence of an ethics violation.

The Mailings

13. On or about the dates listed below, in Mercer County and in Bergen County, in the District of New Jersey, and elsewhere, for the purpose of executing and attempting to execute this scheme and artifice to defraud, defendant

JOSEPH CONIGLIO

and others knowingly and willfully placed and caused to be placed in a post office and authorized depository for mail, and caused to be delivered thereon, and took and received therefrom certain mail matter, as described below, to be sent and delivered by the United States Postal Service, as described below:

COUNT	APPROXIMATE DATE	DESCRIPTION
1	January 21, 2004	Letter from defendant CONIGLIO to HUMC CEO stating that defendant CONIGLIO "[looked] forward to making [HUMC] the best in New Jersey," as described in paragraph 7(A) of Counts 1 to 8.
2	February 9, 2005	NJDT check to HUMC for \$900,000, as described in paragraph 9(A) of Counts 1 to 8.
3	February 9, 2005	NJDT check to HUMC for \$250,000, as described in paragraph 9(B) of Counts 1 to 8.
4	May 23, 2005	NJDT check to HUMC for \$70,000, as described in paragraph 9(D) of Counts 1 to 8.
5	February 20, 2006	Letter from defendant CONIGLIO to VP of Development, regarding termination of the Agreement, as described in paragraph 12(G) of Counts 1 to 8.

6	From May 2004 - February 2006	Approximately fourteen (14) VJC invoices from defendant CONIGLIO to HUMC, charging HUMC a total of approximately \$103,900.
7	From May 2004 - May 2006	Approximately twenty (20) checks from HUMC to VJC, paying defendant CONIGLIO a total of approximately \$103,900.
8	August 8, 2006	Letter from defendant CONIGLIO to the Ethics Committee, as described in paragraph 12(H) of Counts 1 to 8.

In violation of Title 18, United States Code, Sections 1341 and 1346, and Section 2.

COUNT 9

(Affect Commerce by Extortion Under Color of Official Right)

1. Paragraphs 1 to 3 and 6 to 11 of Counts 1 to 8 are hereby incorporated and realleged as if fully set forth herein.

2. From in or about January 2004 to in or about February 2006, in Mercer and Bergen Counties, in the District of New Jersey, and elsewhere, defendant

JOSEPH CONIGLIO

knowingly and willfully did obstruct, delay and affect interstate commerce by extortion under color of official right - that is, by obtaining money from another with consent in exchange for exercising and attempting to exercise official action and influence for HUMC as specific opportunities arose.

In violation of Title 18, United States Code, Section 1951(a) and Section 2.

A TRUE BILL:

FOREPERSON

CHRISTOPHER J. CHRISTIE
UNITED STATES ATTORNEY