

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. Anne E. Thompson
v. : Crim. No. 08-98 (AET)
JONATHAN SOTO : 18 U.S.C. §§ 666(a)(1)(B),
1951(a) and § 2; 21 U.S.C. §§
844 and 846

SUPERSEDING INDICTMENT

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

COUNTS 1 TO 9

Attempt to Extort Under Color of Official Right

1. At all times relevant to Counts 1 to 9 of this
Indictment:

a. Defendant JONATHAN SOTO was an elected member of
the City Council for the City of Passaic, New Jersey ("Passaic
City Council"). Members of the Passaic City Council, among other
things, were empowered to vote on ordinances and resolutions,
including those relating to municipal contracts. Defendant
JONATHAN SOTO also was the Chairman of the City of Passaic
Redevelopment Agency, a municipal redevelopment agency which had
the authority, among other things, to engage in redevelopment
projects in the City of Passaic. Defendant SOTO also was
employed as a middle school teacher in the City of Passaic school
district.

b. There were two cooperating witnesses (hereinafter "CW-1" and "CW-2") and an undercover law enforcement agent (hereinafter "UCA") who purported to be representatives of companies capable of providing insurance brokerage and other services to government entities (hereinafter, the "Undercover Business"). As represented by these individuals, the Undercover Business was based in New Jersey, did business in various states, and paid for goods and services in interstate commerce.

c. Individual 1 was a high-ranking elected government official in Passaic, New Jersey. Defendant JONATHAN SOTO was a close associate of Individual 1.

d. Individual 2 was a member of the Pleasantville Board of Education, in Pleasantville, New Jersey.

e. Individual 3 was an elected government official in Passaic, New Jersey.

f. Individual 4 was a member of the Paterson Board of Education, in Paterson, New Jersey.

g. The City of Passaic Board of Education was comprised of nine members who were elected by the residents of the City of Passaic to administer the City's school district, which was coterminous with the boundaries of the City of Passaic.

2. It was part of the corrupt activity that, from in or about September 2006 to on or about July 1, 2007, during conversations recorded by federal law enforcement authorities and

otherwise, defendant JONATHAN SOTO agreed to exercise and attempt to exercise official action and influence as specific opportunities arose to: (i) obtain insurance brokerage work for the Undercover Business from the City of Passaic; (ii) obtain insurance brokerage work for the Undercover Business from the City of Passaic Board of Education; and (iii) otherwise use his official position and influence for the benefit of the Undercover Business, in exchange for corrupt payments for the benefit of defendant SOTO and others as follows:

a. On or about September 22, 2006, in Atlantic City, New Jersey, defendant JONATHAN SOTO was introduced by Individual 4 to CW-1, CW-2 and Individual 2. During this meeting, defendant JONATHAN SOTO observed Individual 4 accepting a cash payment of \$2,000 from CW-2.

b. On or about October 20, 2006, defendant JONATHAN SOTO met with, among others, Individual 2, CW-1 and CW-2, in a hotel room in Atlantic City, New Jersey. During the meeting, the parties discussed, in substance and in part, the possibility of the Undercover Business providing insurance services for the City of Passaic. During this meeting, Individual 2 remarked to defendant SOTO that "they (CW-1 and CW-2) offer[ed] long term retirement packages for politicians." At the conclusion of the meeting, defendant SOTO accepted \$2,000 in cash from CW-2 in exchange for defendant SOTO's exercise of his official action and

influence.

c. On or about October 26, 2006, defendant JONATHAN SOTO met with CW-2 in a hotel room in Atlantic City, New Jersey. During their conversation, defendant JONATHAN SOTO discussed his official influence, stating, "I know my whole pull, my whole reach, which is not only in Passaic, but in Passaic County, is not what [Individual 4] has." Defendant JONATHAN SOTO stated that he would meet with Individual 1, but cautioned CW-2 that "the Passaic County prosecutor has been sniffing around." Defendant JONATHAN SOTO further told CW-2 that "you guys could be a help to me, I'll be an open door for you guys." Shortly thereafter, defendant JONATHAN SOTO accepted \$5,000 in cash from CW-2 in exchange for defendant SOTO's exercise of his official action and influence.

d. On or about November 3, 2006, defendant JONATHAN SOTO spoke over the telephone to CW-1. During the ensuing telephone conversation:

(i) Defendant SOTO explained that "[Individual 1] runs the take" and that "[m]oving forward, I have other friends in other municipalities, and I'm all for getting my feet wet as well, man, you know what I'm saying, and I'm very appreciative that, you know, you guys have counted me as part of the team;"

(ii) Defendant SOTO further explained that "[Individual 1] giving you the green light for you guys to come

down is huge. Because it won't just be the City. It will be the City, the [Board of Education] and everything else. The sky's the limit in Passaic;" and

(iii) Defendant SOTO confirmed that Individual 1 was expecting a \$10,000 dollar payment from the CWs:

CW1: . . . [Individual 1's] expectation is that he was expecting ten today. Right? [Individual 1] was expecting ten. That's the bottom line.

JS: Yeah, yeah. But I told [Individual 2], you can ask him, I told him Wednesday [referring to November 1, 2006]. I said, listen, this man is a powerful man. You don't understand, everyone does what he says.

e. On or about November 4, 2006, at approximately 9:23 a.m., defendant JONATHAN SOTO sent a text message to CW-1 from defendant SOTO's cellular telephone, which read: "[a]ny word on that cake" [referring to the status of the corrupt payment]?

f. Approximately twelve hours later, defendant JONATHAN SOTO and CW-1 met in CW-1's car at a rest stop in Forked River, New Jersey on the Garden State Parkway. During this meeting, defendant SOTO accepted \$5,000 in cash from CW-1. Defendant SOTO and CW-1 discussed the terms of a corrupt transaction; specifically, that defendant SOTO and Individual 1 would receive \$25,000 in exchange for the Undercover Business obtaining official authorization to offer insurance brokerage services to the City of Passaic, and \$25,000 in exchange for the

Undercover Business obtaining official authorization to offer insurance brokerage services to the Passaic Board of Education:

JS: We got to make this happen.

CW-1: We're gonna make it happen, bro. So here's the deal. Here's, um, I scraped together five alright?

JS: Alright. This is for the boss (referring to Individual 1).

CW-1: And we'll get him five on Monday or Tuesday, another five and I'll work out, I'll get you what we talked about.

JS: Alright.

CW-1: Alright, does that work?

JS: What if [Individual 1] starts asking questions about the whole deal, for the whole package?

CW-1: What we said. Twenty-five for the City [of Passaic], twenty-five for the [Passaic] school board.

JS: For the board, right. Yeah.

CW-1: Is that good? Does that work?

JS: I think so.

CW-1: See what [Individual 1] needs.

JS: Let me see what [Individual 1] thinks.

g. On or about November 7, 2006, defendant JONATHAN SOTO and CW-1 met in CW-1's car in the parking lot of a shopping center in Egg Harbor Township, New Jersey. Shortly after entering the car, defendant SOTO accepted another \$5,000 in cash from CW-1 in furtherance of the corrupt scheme.

h. On or about November 10, 2006, defendant JONATHAN SOTO met CW-1 in a shopping center parking lot in Egg Harbor Township, New Jersey. Shortly after entering the car, defendant SOTO accepted another \$2,500 in cash. During this meeting, defendant SOTO promised CW-1 that "it's a done deal" and that he would "pitch at him" (referring to Individual 1) to "get the Board of Ed thing rolling."

i. On or about December 19, 2006, in Iselin, New Jersey, defendant JONATHAN SOTO, CW-1 and UCA discussed a resolution, which was to be presented to the Passaic City Council later that evening, authorizing the Undercover Business to provide insurance brokerage services to City of Passaic government employees. Referring to the resolution and the fact that it would be placed before the Passaic City Council that evening, defendant SOTO stated, "we're on tonight, it's all good." Defendant SOTO was informed that defendant SOTO would receive \$12,500 for the passage of the resolution and an additional \$12,500 after the Undercover Business began providing insurance brokerage services pursuant to the resolution. Defendant SOTO then confirmed that "tonight, we have, we have the resolution being passed."

j. On or about December 19, 2006, the Passaic City Council passed a resolution authorizing the Undercover Business to provide insurance brokerage services to City of Passaic

government employees. Defendant JONATHAN SOTO voted in favor of the resolution; however, the resolution was rescinded after defendant SOTO left the council meeting.

k. On or about December 20, 2006, defendant JONATHAN SOTO sent a text message to CW-1 over defendant SOTO's cellular telephone. In that message, defendant SOTO utilized veiled language to solicit and demand a corrupt payment from CW-1, writing: "will need that green broccoli for the 1st entree." Later that day, after learning that the Passaic City Council voted to rescind the resolution, defendant SOTO sought to reassure CW-1 about the passage of the resolution, by telling CW-1 during a telephone conversation that the "the real power is with [Individual 1]" - as opposed to the members of the Council who had voted against the resolution and for its rescission.

l. On or about January 3, 2007, defendant JONATHAN SOTO met CW-2 in a car in Egg Harbor Township, New Jersey and accepted \$10,000 in cash from CW-2 in exchange for defendant SOTO's exercise of his official action and influence. Shortly after receiving this corrupt cash payment, defendant JONATHAN SOTO met with CW-1 and CW-2 in a restaurant in Egg Harbor Township. Defendant SOTO stated that the Passaic City Council would restore the resolution on January 9, 2007 "on the strength of the word of [Individual 1]."

m. On or about January 9, 2007, during a meeting of

the Passaic City Council, defendant JONATHAN SOTO supported the reinstatement of the resolution, and the Passaic City Council passed the resolution.

n. On or about January 23, 2007, defendant JONATHAN SOTO arranged for Individual 3 to meet UCA, CW-1 and CW-2, and for Individual 3 to obtain a corrupt cash payment from them. During this meeting, as arranged by defendant JONATHAN SOTO, Individual 3 accepted a corrupt cash payment of \$2,500 in exchange for Individual 3's official assistance in securing insurance brokerage business for the Undercover Business.

o. On or about January 31, 2007, during a telephone conversation with UCA and CW-2, defendant JONATHAN SOTO stated that in the coming months, defendant SOTO would focus on getting "all we can from . . . my home town" (referring to the City of Passaic) and that afterwards, defendant SOTO would attempt to assist the Undercover Business in obtaining work in other New Jersey municipalities.

p. On or about February 6, 2007, at a meeting in CW-1's car in Egg Harbor Township, New Jersey, defendant JONATHAN SOTO accepted an additional \$2,500 in cash from CW-1. After defendant SOTO accepted the \$2,500 in cash, defendant SOTO and CW-1 discussed a potential meeting between Individual 1 and CW-2. Defendant SOTO explained that Individual 1 "just likes the cash stuff delivered," but that defendant SOTO could explain to

Individual 1 that CW-2 "want[s] to make sure that I've been delivering everything."

q. On or about February 27, 2007, defendant JONATHAN SOTO and Individual 3 met with CW-1, CW-2 and UCA in a hotel room in Atlantic City, New Jersey. Defendant SOTO and Individual 3 explained that they were now working with Individual 1 to ensure, among other things, that the Undercover Business would become the broker of record for the City of Passaic Board of Education's lucrative health insurance contract. Defendant SOTO further confirmed that he had provided some of the corrupt payments to Individual 1 as he had promised: "I've put ten thousand dollars in [Individual 1's] hand, cash, in his house. I've given it to his hand." Defendant JONATHAN SOTO additionally solicited corrupt payments to be used for the election campaigns of himself and Individual 3, stating that the broker-of-record contract had a one-year term and would need to be re-authorized at later intervals. Defendant JONATHAN SOTO stated: "You keep us [referring to himself and Individual 3] on City Council, we're always going to be there for you guys, you know what I'm saying?"

r. On or about March 8, 2007, defendant JONATHAN SOTO met with CW-2 and Individual 3 in a car in Clifton, New Jersey. Defendant JONATHAN SOTO and Individual 3 each accepted \$5,000 in cash from CW-2 in response to defendant Soto's February 27, 2007 solicitation. Shortly after receiving this payment,

defendant JONATHAN SOTO promised CW-2 that the Undercover Business would become the health insurance broker of record for the City of Passaic stating: "it's gonna happen."

s. On or about March 22, 2007, the Passaic City Council was scheduled to vote on two resolutions that would have awarded another insurance broker ("Company 1") certain health insurance brokerage contracts from the City of Passaic. Consequently, defendant JONATHAN SOTO contacted Individual 3 by telephone and discussed efforts to defeat the two resolutions in an attempt to steer this City of Passaic insurance business to the Undercover Business. Further, defendant SOTO contacted Individual 1 by telephone and asked Individual 1's "permission . . . if I could vote down [Company 1]." Individual 1 responded affirmatively, stating: "F-ck 'em." In light of Individual 1's support, defendant JONATHAN SOTO contacted various members of the Passaic City Council by telephone, and sought to influence his fellow councilmen to vote down the resolutions awarding Company 1 the health insurance brokerage contracts and to attempt to steer this insurance brokerage work to the Undercover Business.

t. On or about March 22, 2007, defendant JONATHAN SOTO voted against the two resolutions that favored Company 1 for the City of Passaic's health insurance brokerage contracts.

u. On or about March 23, 2007, defendant JONATHAN SOTO had a conversation with CW-2 over the telephone. Defendant

SOTO informed CW-2 that the Passaic City Council had voted against the two resolutions that favored Company 1 at the March 22, 2007 Council meeting, as engineered by defendant SOTO, Individual 1 and Individual 3. Defendant SOTO explained: "We shot 'em down, [CW-2]. We shot 'em down like I told you."

v. On or about March 26, 2007, defendant JONATHAN SOTO and Individual 3 spoke over the telephone. Individual 3 confirmed that they had successfully defeated the resolution by stating: "the most important thing is taken care of" and "tell them, the ball is in their (CW-1's and CW-2's) court, no mistakes on them now."

w. On or about June 25, 2007, defendant JONATHAN SOTO spoke on the telephone with CW-2 regarding the corrupt payments that defendant JONATHAN SOTO had accepted in furtherance of the scheme to obtain insurance brokerage contracts for the Undercover Business and their lack of rapid success in obtaining these contracts from the City of Passaic. In an effort to facilitate the corrupt scheme, defendant JONATHAN SOTO offered: (1) to resort to physical violence against Individual 1, including to approach Individual 1 "mafia-style," to "take a bat" to Individual 1, or to "hire somebody to either wipe [Individual 1] out, disappear him;" and (2) to corruptly utilize his position on

the Passaic Redevelopment Agency in favor of CW-2, stating:

I'm on Redevelopment for five more years . .
. . and I'll tell you right now, without you
asking me, I'm going to still try to keep you
guys in the loop to get you something and
that's my word.

3. On or about the dates set forth below, in the District
of New Jersey, and elsewhere, defendant

JONATHAN SOTO

knowingly and willfully did attempt to obstruct, delay and affect
interstate commerce by extortion under color of official right--
that is, by corruptly agreeing to obtain and obtaining money for
the benefit of himself and others as set forth below, from the
Undercover Business, CW-1, CW-2 and UCA with consent, in exchange
for defendant JONATHAN SOTO's and others' official action and
influence, in attempting to obtain local government insurance and
other business with City of Passaic government entities for the
Undercover Business as specific opportunities arose:

COUNT	APPROXIMATE DATE	APPROXIMATE AMOUNT OF EXTORTIONATE PAYMENT
1	October 20, 2006	\$2,000
2	October 26, 2006	\$5,000
3	November 4, 2006	\$5,000
4	November 7, 2006	\$5,000
5	November 10, 2006	\$2,500
6	January 3, 2007	\$10,000

7	January 23, 2007	\$2,500
8	February 6, 2007	\$2,500
9	March 8, 2007	\$10,000

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

COUNT 10

Conspiracy to Obstruct Interstate Commerce by Extortion

1. Paragraphs 1 and 2 of Counts 1 to 9 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. From in or about September 2006 to on or about July 1, 2007, in the District of New Jersey and elsewhere, defendant

JONATHAN SOTO

did knowingly and willfully conspire and agree with Individuals 1-3 and others to obstruct, delay and affect interstate commerce by extortion under color of official right - that is, by corruptly agreeing to obtain, and obtaining, money for the benefit of himself and others from the Undercover Business, CW-1, CW-2 and UCA with consent, in exchange for defendant SOTO's and others' official action and influence in attempting to obtain local government insurance and other business with City of Passaic government entities for the Undercover Business as specific opportunities arose.

3. It was the object of the conspiracy that defendant JONATHAN SOTO accepted cash payments from the Undercover Business, CW-1, CW-2 and UCA for himself and other City of Passaic officials in exchange for defendant SOTO's and these others' official action and influence in attempting to obtain local government insurance and other business with City of

Passaic government entities for the Undercover Business as specific opportunities arose.

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

COUNTS 11 TO 19

Acceptance and Agreement to Accept Payments
to Influence and Reward

1. Paragraphs 1 and 2 of Counts 1 to 9 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. At all times relevant to Counts 11 to 19 of this Indictment, the City of Passaic received in excess of \$10,000 in federal assistance in a one-year period.

3. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

did knowingly, willfully and corruptly solicit and demand for the benefit of himself and other City of Passaic officials, and accept and agree to accept, money as set forth below from another, intending for himself and other City of Passaic officials to be influenced and rewarded in connection with a business, transaction and series of transactions of the City of Passaic involving a thing of value of \$5,000 and more:

COUNT	APPROXIMATE DATE	APPROXIMATE AMOUNT OF CORRUPT PAYMENT
11	October 20, 2006	\$2,000
12	October 26, 2006	\$5,000
13	November 4, 2006	\$5,000
14	November 7, 2006	\$5,000
15	November 10, 2006	\$2,500
16	January 3, 2007	\$10,000

17	January 23, 2007	\$2,500
18	February 6, 2007	\$2,500
19	March 8, 2007	\$10,000

In violation of Title 18, United States Code, Section
666(a)(1)(B) and Section 2.

COUNT 20

Attempt to Extort Under Color of Official Right

1. Paragraphs 1(a) and 1(c) of Counts 1 to 9 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. At all times relevant to Count 20, there was an individual (Individual 5) who was a municipal employee of the City of Passaic and who sought a promotion within Individual 5's department.

3. On or about March 1, 2007, Individual 5 met with defendant JONATHAN SOTO in Passaic, New Jersey. When Individual 5 stated that he had been unsuccessful in obtaining a promotion, defendant JONATHAN SOTO stated, in substance and in part, that to ensure the promotion, Individual 5 should give \$10,000 to Individual 1, a value approximating one-half the annual amount of the promotion.

4. On or about March 1, 2007, in Passaic County, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

knowingly and willfully did attempt to obstruct, delay and affect interstate commerce by extortion under color of official right -- that is, by corruptly attempting to obtain approximately \$10,000 from another, with that person's consent, in exchange for defendant JONATHAN SOTO's and Individual 1's official influence and

assistance in securing a promotion for Individual 5, as specific opportunities arose.

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

COUNT 21

Acceptance and Agreement to Accept Payments
to Influence and Reward

1. Paragraphs 1(a) and 1(c) of Counts 1 to 9 of this Indictment, paragraph 2 of Counts 11 to 19 of this Indictment, and paragraphs 2 and 3 of Count 20 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. On or about March 1, 2007, in Passaic County, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

did knowingly, willfully and corruptly solicit and demand, for the benefit of himself and Individual 1, approximately \$10,000 from another, intending for himself and Individual 1 to be influenced and rewarded in connection with a business, transaction and series of transactions of the City of Passaic involving a thing of value of \$5,000 and more.

In violation of Title 18, United States Code, Section 666(a)(1)(B) and Section 2.

COUNTS 22 TO 23

Attempt to Possess a Controlled Substance

1. Paragraphs 1 and 2 of Counts 1 to 9 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. From in or about March 2007 to in or about April 2007, during conversations recorded by federal law enforcement authorities, defendant JONATHAN SOTO attempted to possess controlled substances, including as follows:

a. On or about March 22, 2007, during a telephone conversation at approximately 11:03 p.m., defendant JONATHAN SOTO stated to another individual that he wanted to go "smoke," but that he had "nothing on me." This individual responded that he wanted to get a "fifty."

b. Shortly thereafter, during a telephone conversation at approximately 11:09 p.m., defendant JONATHAN SOTO asked another individual, "what ever happened to that weight? . . . I f[--]king need it. Every day, I'm f[--]king copping bullsh[--]."

c. On or about March 23, 2007, during a telephone conversation, defendant JONATHAN SOTO contacted an unidentified male and stated that he was "trying to go cop some . . . weight."

d. On or about March 24, 2007, during a telephone conversation at approximately 4:17 p.m., defendant JONATHAN SOTO discussed having previously purchased an "ounce," and stated that he had "to stop smoking."

e. On or about April 7, 2007, during a telephone conversation with another individual, defendant JONATHAN SOTO stated that he wanted "to go cop tonight."

f. On or about April 11, 2007, during a telephone conversation with another individual, defendant JONATHAN SOTO stated that he was "just trying to do something for tonight" after the other individual stated they could "save so much money if they could get the other thing" and that he (the other individual) was "trying to do quantity."

3. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

knowingly and intentionally did attempt to possess a controlled substance:

COUNT	APPROXIMATE DATE
22	March 22, 2007 to March 24, 2007
23	April 11, 2007

In violation of Title 21, United States Code, Sections 844(a) and 846, and Title 18, United States Code, Section 2.

FOREPERSON

CHRISTOPHER J. CHRISTIE
UNITED STATES ATTORNEY