

# NEWS

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United States Department of Justice  
U.S. Attorney, District of New Jersey  
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Newark, New Jersey 07102

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***Christopher J. Christie, U.S. Attorney***

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***More Information?*** Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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FOR IMMEDIATE RELEASE

Jan. 16, 2008

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Grand Jury Indicts Passaic Mayor Rivera for Allegedly  
Accepting a \$5,000 Bribe in Exchange for His Influence

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(More)

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TRENTON – A federal grand jury today indicted City of Passaic Mayor Samuel Rivera on charges of attempted extortion under color of official right and bribery for allegedly accepting \$5,000 in cash in exchange for his influence on local government contracts, U.S. Attorney Christopher J. Christie announced.

The two-count Indictment was returned today, and largely mirrors the allegations contained in a criminal Complaint filed against Rivera on Sept. 6. On that day, Rivera and 10 other public officials and one private individual were arrested in a corruption investigation that ran from South to North New Jersey.

Rivera, 61, will be arraigned on the Indictment over the course of the next 10 days or so, after the case is assigned to a U.S. District Judge and the arraignment is scheduled. Rivera is currently on \$200,000 bail in connection with the September 2007 criminal Complaint.

According to the Indictment, Rivera first met at a restaurant in Passaic on Aug. 6, 2007, with a cooperating witness and another elected official who was a colleague of Rivera, according to the Indictment. At this meeting, Rivera allegedly agreed to assist an undercover company in obtaining a broker-of-record designation with Passaic for certain insurance brokerage services, by stating, “Don’t worry about it. I’ll help you out. I’ll help you out.”

Rivera and the cooperating witness further discussed that Rivera would be paid \$50,000 in exchange for his official assistance and influence for this contract. When asked whether a broker of record appointment needed to be approved by the Passaic City Council, Rivera responded, “Yeah, and I have the votes.”

The Indictment further charges that Rivera again met with a cooperating witness and another elected official on Aug. 13, 2007 at a restaurant in Clifton. During this meeting, Rivera allegedly told the cooperating witness that, “I can get you the broker of record, you know, the complete broker of record.” In response, the cooperating witness advised Rivera that this contract would then be worth more than one million dollars to the undercover company, and that would “change the numbers” between Rivera and the undercover company. Rivera responded, “I know.”

Later in the meeting, Rivera also allegedly agreed to make an appointment for representatives of the undercover company to meet with a key Passaic employee to draft a resolution designating the undercover company as a broker of record. Rivera also reassured the cooperating witness that he could ensure the necessary number of City Council votes for this appointment, by stating, “I can get four votes easy, easy, easy.”

Prior to the conclusion of the meeting, Rivera also stated that he and another elected official could assist the undercover company in obtaining additional insurance brokerage business with the Passaic Valley Water Commission, an entity managed by a seven-member board of commissioners who were appointed by, among others, Rivera as the mayor of Passaic.

Per the charges, shortly after this meeting concluded, Rivera met privately with the cooperating

witness in a car in Clifton. During this meeting, Rivera accepted a \$5,000 cash payment, according to the Indictment. Rivera allegedly thanked the cooperating witness and shook the cooperating witness's hand.

The Indictment goes on to allege that on Aug. 29, 2007, Rivera and two key Passaic employees met with the cooperating witnesses, where Rivera advocated to appoint the undercover company as a broker of record for Passaic. One of the Passaic employees questioned certain aspects of the undercover company's insurance presentation, to which Rivera allegedly responded "I make the [expletive] decision. And the council. And believe me, I've got the four [expletive] votes on the Council. So let's stop [expletive] here and let's get this thing rolling."

The attempted extortion charge carries a maximum statutory penalty of 20 years in federal prison. The bribery count carries a statutory maximum of 10 years in prison.

Despite indictment, Rivera is presumed innocent unless and until proven guilty beyond a reasonable doubt.

Christie credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, for the investigation leading to today's Indictment. He also credited prosecutors and investigators with the Atlantic County Prosecutor's Office, under the direction of Prosecutor Theodore F.L. Housel, for their assistance in the investigation.

This case is being prosecuted by Assistant U.S. Attorneys Christopher J. Gramiccioni and David A. Bocian of the Special Prosecutions Division and Trenton Office, respectively.

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Defense counsel:  
Henry Klingeman, Esq. Newark