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Staten Island Man Pleads Guilty to Running an Illegal Off-shore Sports Betting Business

(More)

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TRENTON – A Staten Island man pleaded guilty today for his role in the operation an illegal off-shore sports gambling enterprise, U.S. Attorney Paul J. Fishman announced

Joseph W. LaForte, 39, made his first appearance in federal court and pleaded guilty before U.S. District Judge Anne E. Thompson to a one-count Information that charges him with conspiracy to operate an illegal gambling business. LaForte is currently serving a New York State prison sentence on unrelated charges. Judge Thompson scheduled sentencing for April 6.

At his plea hearing, LaForte admitted that from 2005 through early 2006, he conspired with others to conduct, finance, direct and supervise an illegal gambling business that operated in New Jersey and elsewhere, including New York and Florida.

In furtherance of the conspiracy, LaForte admitted that he and his co-conspirators directed bettors, including employees of his mortgage company located in Florida, to place bets through an Internet gambling site located outside of the U.S. LaForte and his co-conspirators provided bettors with an Internet gambling website address, usernames, and passwords so they could place wagers on sporting events, he admitted.

While operating the gambling business, LaForte admitted that at least one co-conspirator traveled between Staten Island and Florida to collect gambling debts and make cash payment on winning bets. Furthermore, LaForte admitted that he and his co-conspirators cashed checks, which represented payment on lost wagers, at various banks and check cashing businesses located in New York.

LaForte admitted that he and his co-conspirators, including the co-conspirators maintaining the offshore gambling site, shared in the profits derived from the illegal gambling business.

The charge to which LaForte pleaded guilty carries a statutory maximum penalty of 5 years in prison and a fine of \$250,000.

In a separate case, LaForte's brother, James LaForte, Jr., 32, also of Staten Island, pleaded guilty before Judge Thompson on Dec. 21, 2009. LaForte, Jr., pleaded guilty to a three-count Superseding Information that charged him with a loansharking conspiracy, an extortion conspiracy, and conspiracy to travel in interstate commerce to commit arson in aid of a racketeering enterprise. LaForte, Jr., is scheduled to be sentenced by Judge Thompson on March 31.

At his plea hearing, LaForte, Jr. admitted that he conspired with Francis Alfieri, 31, of Staten Island, and others to make high interest loans to debtors and then used threats and violence to collect on the loans. In one such instance, a debtor living in Middlesex County, who had failed to make a timely payment, was threatened and struck in the face by LaForte, Jr., he admitted.

Finally, LaForte, Jr. admitted that he conspired with others to travel from Staten Island to Ocean County for the purpose of committing arson. LaForte, Jr. acknowledged that he caused a co-conspirator to pour and ignite gasoline on a car parked, thus completely destroying it by fire. According to the Superseding Information, LaForte, Jr. caused the car to be torched as an act of revenge against a former employee of his real estate title company, Richmond Abstract.

Alfieri pleaded guilty to the loansharking offense before Judge Thompson on July 6, 2009, and is scheduled to be sentenced on Feb. 9.

Both counts of loansharking conspiracy and extortion conspiracy each carry a maximum statutory prison sentence of 20 years and a \$250,000 fine. The conspiracy to travel in interstate commerce to commit arson carries a maximum statutory prison sentence of 5 years and a \$250,000 fine.

In determining an actual sentence, Judge Thompson will consult the advisory U.S. Sentencing Guidelines that provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, 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 that time.

The government is represented by Assistant U.S. Attorney Anthony Moscato of the U.S. Attorney Office's Strike Force unit in Newark.

Fishman credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, and Special Agents of the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, with the investigation leading to the guilty pleas.

– end –

Defense Attorneys:

Joseph LaForte - Edward R. Hammock, Esq., Flushing, N.Y.

James LaForte, Jr. - James R. Froccaro, Esq., Long Island, N.Y.