

# NEWS

---

United States Department of Justice  
U.S. Attorney, District of New Jersey  
970 Broad Street, Seventh Floor  
Newark, New Jersey 07102

---



---

***Paul J. Fishman, U.S. Attorney***

---

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

***News on the Internet:*** News Releases, related documents and advisories are posted short-term at our website, along with links to our archived releases at the Department of Justice in Washington, D.C. ***Go to:*** <http://www.usdoj.gov/usao/nj/press/>

---

Contact:

Michael Drewniak, Public Affairs Officer  
973-645-2888

vega1217.rel  
FOR IMMEDIATE RELEASE  
Dec. 17, 2009

---

## Jersey City Councilman Indicted for Allegedly Taking \$30,000 in Bribe Payments

---

(More)

---

Public Affairs Office  
<http://www.njusao.org>  
Michael Drewniak, PAO

973-645-2888

Breaking News (NJ) <http://www.usdoj.gov/usao/nj/press/index.html>

---

NEWARK – Jersey City Councilman Mariano Vega, Jr. was indicted today in connection with his agreement to accept \$30,000 in corrupt payments made in exchange for Vega’s agreement to provide official assistance on real estate development projects in Jersey City, U.S. Attorney Paul J. Fishman announced.

The Indictment charges that Vega conspired with former Jersey City official Maher Khalil to obtain three \$10,000 cash payments from a government cooperating witness (CW), with the promise that Vega would, in return, help the CW obtain development approvals in Jersey City.

Vega allegedly caused these cash payments to be converted by Khalil into illegal campaign contributions. Khalil accomplished this by providing portions of the cash to various individuals, described in the Indictment as Individuals 1-10, in exchange for “straw donor” checks made payable to Vega’s campaign account. Vega allegedly accepted “straw donor” checks from Khalil and deposited them into his campaign account, reporting the payments on required campaign finance reports as though they had been made by the straw donors rather than by their true source, the CW.

According to the Indictment, Khalil accepted a separate \$5,000 cash payment in exchange for his assistance in setting up this corrupt arrangement with Vega.

The Indictment further charges that on July 22, 2009, Vega agreed to be interviewed by the FBI. During the course of the interview, Vega denied knowing the CW and claimed not to recognize the CW’s photograph, despite having met with the CW for a meal approximately six times during the five-month period immediately preceding the interview and despite the fact that his most recent meeting with the CW had occurred less than two weeks before the date of the interview. Vega is charged in the Indictment with making false statements to an agency of the United States government.

The Indictment stems from a two-track undercover FBI investigation into political corruption and international money laundering which became public with the arrests of 44 defendants on July 23, 2009. Vega and Khalil were both arrested on criminal Complaints on that day.

Khalil pleaded guilty before U.S. District Judge Jose L. Linares on Sept. 9 for his own acceptance of bribes from the CW and his role in facilitating bribes and illicit campaign contributions to other public officials and political figures. At his plea hearing, Khalil admitted that, at Vega’s direction, he accepted corrupt cash payments given by the CW for Vega and converted them into illegal campaign contributions from “straw” donors to fund Vega’s electoral campaign.

According to the Indictment, Vega met with the CW and Khalil on March 5 and March 17, 2009, during which Vega was informed that the CW was seeking Vega’s assistance with obtaining real estate development approvals in Jersey City. On March 17, Vega accepted a \$2,600 campaign contribution from the CW, who indicated that the small size of the contribution was an “embarrassment” and that the CW wanted to do something “on a larger

scale.” According to the Indictment, Vega met with the CW again on April 27, 2009, during which Vega suggested that the CW have “other associates” make contributions to Vega’s campaign on the CW’s behalf. The CW confirmed with Vega later in the meeting that the CW would provide \$10,000 in cash to Khalil, who would then arrange to have other individuals serve as “straw donors” and write checks to Vega’s campaign on the CW’s behalf. According to the Indictment, Vega then was informed by the CW that, in return, the CW did not want Vega to “forget [the CW’s] name and number” when it came time for the CW to seek approvals for the CW’s development projects in Jersey City. Vega allegedly responded that he had a “good memory.” Vega further was informed by the CW that the CW would “do another ten” – meaning provide another \$10,000 payment to Vega – “after the election.” Vega allegedly responded, “Good.”

The Indictment alleges that Vega met with the CW and Khalil again on May 6, May 26, and July 9, 2009. At each of these meetings, the CW, at Vega’s direction, provided \$10,000 in cash to Khalil so that Khalil could convert the money into illegal “straw donor” contributions to Vega’s campaign account. At the meetings, Vega assured the CW that he was the CW’s “friend” and discussed with the CW various actions that Vega intended to take to assist the CW with the CW’s projects in Jersey City, according to the Indictment.

Despite indictment, all defendants are presumed innocent unless proven guilty beyond a reasonable doubt.

The Indictment charges Vega with one count of conspiracy to obstruct commerce by extortion under color of official right, which carries a maximum statutory penalty of 20 years in prison and a \$250,000 fine; three counts of attempted obstruction of commerce by extortion under color of official right, which also carries a maximum of 20 years in prison and a \$250,000 fine; three counts of accepting corrupt payments in connection with a business or transaction or series of transactions with Jersey City, an entity receiving more than \$10,000 in federal funds during a specified one-year period, which carries a maximum statutory penalty of 10 years in prison and a \$250,000 fine; and one count of making false statements in a matter within the jurisdiction of the Government of the United States, which carries a maximum statutory penalty of five years and a \$250,000 fine.

Fishman credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, and IRS Criminal Investigation, under the direction of Special Agent in Charge William P. Offord, for the investigation of Mariano Vega, Jr. and the other defendants.

The case is being prosecuted by Assistant U.S. Attorneys Rachael A. Honig and Sandra L. Moser.

– end–

Defense counsel: Peter Willis, Esq. Jersey City