

## UNITED STATES DISTRICT COURT

for the  
District of New Jersey

ORIGINAL FILED

MAR 27 2009

WILLIAM T. WALSH, CLERK

United States of America

v.

JAMES PEYTON

*Defendant*

Case No. 09-1035 (AMD)

## CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date of 1/09-2/09 in the county of Atlantic in the \_\_\_\_\_ District of  
New Jersey, the defendant violated 18 U. S. C. § 666(a)(1)(B), an offense described as follows:

See Attachment A.

This criminal complaint is based on these facts:

See Attachment B.

☒ Continued on the attached sheet.*Complainant's signature*

Andrew Rixham, Special Agent, FBI

*Printed name and title*

Sworn to before me and signed in my presence.

Date:

3/27/09*Judge's signature*

City and state:

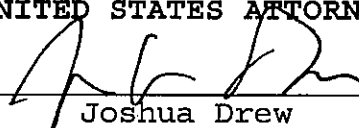
Camden, New Jersey

Hon. Ann Marie Donio, U.S.M.J.

*Printed name and title*

CONTENTS APPROVED

UNITED STATES ATTORNEY

By:   
Joshua Drew  
Assistant U.S. Attorney

Date: 3/27/09

ATTACHMENT A

From at least in or about January 2009 to in or about February 2009, in Atlantic County, in the District of New Jersey and elsewhere, defendant

JAMES PEYTON,

did knowingly and corruptly solicit and demand for the benefit of himself, and accept and agree to accept, cash payments from others, including Yohan Wongso, intending to be influenced and rewarded in connection with a business, transaction and series of transactions of the State of New Jersey, involving a thing of value of \$5,000 or more and involving a state government that received in excess of \$10,000 in federal funds assistance during the relevant one-year period.

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

## ATTACHMENT B

I, Andrew Rixham (the "affiant"), state that I am a Special Agent with the Federal Bureau of Investigation ("FBI"). I have personally participated in this investigation and am aware of the facts contained herein based upon my own investigation, as well as information provided to me by other law enforcement officers. Since this Affidavit is submitted for the sole purpose of establishing probable cause to support issuance of a complaint, I have not included herein the details of every aspect of this investigation. In referring to communications between persons in this affidavit, I have excerpted or summarized such communications in substance and in part.

1. At all times relevant to this complaint:

- a. Defendant JAMES PEYTON was a resident of Salem, New Jersey, and a Field Investigator for the New Jersey Department of Labor and Workforce Development ("NJDOLE"), Division of Employer Accounts, with an office in Hammonton, New Jersey.
- b. Defendant PEYTON's responsibilities as a Field Investigator included conducting audits of employer books and records, reviewing quarterly payroll tax filings, and taking other investigative steps to ensure employer compliance with various payroll tax laws, including the New Jersey Unemployment Compensation Law and Temporary Disability Benefit laws.
- c. Defendant PEYTON's activities were covered by the New Jersey Division of Employer Accounts Audits and Field Service Manual of Practices and Procedures, which described his job function as "Establishing the correct amount of [payroll tax] contributions due either through a thorough audit of books and records or as determined by a field investigation," and "Locating employers that are delinquent in the filing of reports or the payment of contributions."
- d. The New Jersey Division of Employer Accounts Audits and Field Service Manual of Practices and Procedures further stated, "No employee shall accept or agree to accept, directly or indirectly, any assistance, gift, loan, free service, or other item of value, from any outside person or organization, if it is intended, or could be construed, to influence the employee in the

performance of official duties, or as a reward for something done in the performance of official duties."

- e. The State of New Jersey was a government that received federal benefits in excess of \$10,000 in 2008 and 2009 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance or other form of assistance.
2. On or about January 13, 2009, defendant PEYTON met with Yohan Wongso, a representative of a temporary labor firm (the "Firm"), at a state office building in Vineland, New Jersey. At this meeting, which was recorded, defendant PEYTON accepted approximately \$700 in cash from Wongso. Defendant PEYTON took a copy of a spreadsheet reflecting quarterly payroll for the Firm. Defendant PEYTON asked Wongso if the numbers on the spreadsheet reflected the gross payroll, and Wongso confirmed that this was the case. PEYTON then stated, with respect to the Firm's quarterly tax return, "usually what I do is I add all this up . . . and 70% is what you are, you will be responsible for paying . . . that's how I do it . . . I'll knock it down . . . I'll take care of it."
3. On or about January 21, 2009, defendant PEYTON met Wongso at the same state office building in Vineland, New Jersey where they met on January 13, 2009, in order to pick up the Firm's quarterly New Jersey Form 927 payroll tax filing from PEYTON. At the January 21 meeting, which was recorded, defendant PEYTON explained that he reduced the gross wages and had taken a "percentage off," stating "you see it came to that much there . . . it came to about \$25,000 . . . down to that figure there," referring to the reduced wage amount of \$17,640 shown in the Form 927. The documents that defendant PEYTON provided to Wongso reflected reporting of only about 70% of the total wage amount reflected on the spreadsheet Wongso gave to PEYTON on January 13, 2009.
4. In the same meeting on January 21, 2009, Wongso indicated that another temporary labor firm "wants to make sure that they stay out of trouble, you know, can you help him out?" After inquiring about the size of the firm and whether the owner was trustworthy, defendant PEYTON stated, "How about 8?", a reference to \$800. Wongso stated, "Okay. No problem. No problem. If it's good for you," to which defendant PEYTON responded, "8 is good for me."

5. On or about February 13, 2009, defendant PEYTON met with Wongso at the Deptford Mall. At this meeting, which was recorded, defendant PEYTON accepted \$800 in cash from Wongso, consistent with the understanding PEYTON and Wongso reached on January 21, 2009, that PEYTON would accept the payment to use his official position to help a temporary labor firm "stay out of trouble."
6. On or about February 13, 2009, defendant PEYTON was interviewed by Special Agents of the FBI and Internal Revenue Service ("IRS") and stated, in substance and in part, that since 2005 he had taken money from a number of individuals who operate temporary labor firms, including Wongso, B.S., H.P. and several others. Defendant PEYTON described accepting as much as \$8,000 per quarter, all in cash, from operators of temporary labor firms, and explained that among other things the payments were for PEYTON to take care of the firms' Form 927 payroll tax filings.
7. On or about February 26, 2009, defendant PEYTON was interviewed by Special Agents of the FBI and IRS and stated, in substance and in part, that in exchange for the cash payments that he accepted from B.S. and H.P., PEYTON refrained from fully investigating the temporary labor company that B.S. and H.P. owned.
8. On or about December 17, 2008, Wongso was interviewed by Special Agents of the FBI and IRS and stated, in substance and in part, that he paid defendant PEYTON to not "bother" the temporary labor firms for which Wongso worked.
9. In 2008 and 2009, the temporary labor firm for which Wongso worked had temporary labor contracts with businesses in New Jersey worth tens of thousands of dollars.