
UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**
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MARCELLUS JACKSON : Mag. No. 07-

I, James J. Breen, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

Between in or about January 2007 and in or about August 2007, in Passaic County, in the District of New Jersey and elsewhere, defendant

MARCELLUS JACKSON

did knowingly and willfully attempt to obstruct, delay, and affect interstate commerce by extortion under color of official right, by soliciting and accepting a corrupt payment that was paid by another, with that person's consent.

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

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

James J. Breen, Special Agent
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,
September 5, 2007, at Trenton, New Jersey

HONORABLE TONIANNE BONGIOVANNI
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

ATTACHMENT A

I, James J. Breen, 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. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of the investigation. Statements attributable to individuals contained in this Attachment are related in substance and in part, except where otherwise indicated. All contacts discussed herein were recorded, except where otherwise indicated.

1. At all times relevant to this Complaint, defendant MARCELLUS JACKSON was an elected member of the City Council for the City of Passaic ("Passaic City Council"), the legislative body of the municipal government of the City of Passaic, New Jersey. As a member of the Passaic City Council, among other things, defendant JACKSON was empowered to vote on ordinances and resolutions, including those related to government contracts brought before the Council.

2. At all times relevant to this Complaint, two cooperating witnesses ("CW-1" and CW-2") and an undercover law enforcement agent ("UCA") purported to be representatives of companies capable of providing insurance brokerage services (the "Insurance Brokerage Business") to governmental entities. As represented by these Individuals, the Insurance Brokerage Business was based in New Jersey, did business in various states, and paid for goods and services in interstate commerce.

3. From in or about January 2007 to in or about August 2007, defendant MARCELLUS JACKSON solicited and accepted corrupt payments from CW-1, CW-2 and UCA in exchange for the performance of his official duties and for his official influence as a member of the Passaic City Council. Defendant JACKSON accepted cash and other payments from CW-1, CW-2 and UCA for, among other things, advocating for and voting on Passaic City Council resolutions favoring the Insurance Brokerage Business.

4. On or about January 23, 2007, defendant JACKSON and another member of the Passaic City Council (hereinafter "Official 1") met with CW-1 and UCA in Egg Harbor Township, New Jersey. When UCA stated that the parties needed to be "very careful" in their relationship, defendant JACKSON responded that "nobody should know who you guys are" (referring to CW-1 and UCA) and that "I [Jackson] don't know you [referring to CW-1 and UCA] and you don't know me." Shortly thereafter, UCA thanked defendant JACKSON for his help in securing a resolution from the Passaic

City Council authorizing the Insurance Brokerage Business to provide certain brokerage services. Defendant JACKSON then accepted \$2,500 in cash from UCA. Later in the meeting, Jackson assured UCA that "you have my support."

5. On or about February 27, 2007, Jackson and Official 1 met with CW-1, CW-2 and UCA in a hotel room in Atlantic City, New Jersey. Jackson and Official 1 sat next to each other. The parties discussed making corrupt payments to other Passaic elected officials in order to ensure that the Insurance Brokerage Business secured lucrative contracts to become 'broker-of-record' for the City of Passaic and the Passaic Board of Education (hereinafter "PBOE"). In referring to efforts to obtain contracts for the Insurance Brokerage Business, Jackson cautioned that another Passaic official (hereinafter "Official 2") "does not know that I'm [Jackson] in on this, so we have to be very careful how we pursue it." As the meeting continued, Official 1 and Jackson explained that they had tabled (temporarily halted) a Passaic City Council resolution regarding the broker-of-record contract to "buy some time" for the Insurance Brokerage Business to adequately complete the requisite paperwork to qualify as a company able to get the contract.

6. As the meeting continued, Official 1 explained how the parties would corruptly obtain the broker-of-record contract for the PBOE and requested that the members of the Insurance Brokerage Business explain "exactly how much it's worth," so that Official 1 could tell Official 2 "how it's going to go down, this is what we're getting." Official 1 then solicited funds for the election campaigns of Official 1 and Jackson, stating that the broker-of-record contract had a one year term and would need to be re-authorized at later intervals. Official 1 stated: "You keep us [referring to Jackson and Official 1] on City Council, we're always going to be there for you guys, you know what I'm saying?" Official 1 then stated that the broker-of-record contract for the City of Passaic was "worth" \$1.4 million "in commissions alone."

7. On or about March 8, 2007, defendant JACKSON met with CW-2 and Official 1 in a car in Clifton, New Jersey. The parties discussed that on March 22, 2007, defendant JACKSON and Official 1 would vote down a Passaic City Council insurance resolution - a resolution that favored maintaining an incumbent insurance broker for certain City of Passaic insurance contracts - thereby allowing the Insurance Brokerage Business to obtain these contracts. When CW-2 voiced concern over a municipal employee who was perceived as hindering the ability of the Insurance Brokerage Business to obtain the broker-of-record contract, defendant JACKSON stated that he was not concerned about the employee because "we the Council [and] we do what we want to do."

CW-2 then asked whether other council members could use a parliamentary procedure to stymie the plan. Defendant JACKSON replied, "we have the majority, we got the four votes With this, we do what we want to do." At the conclusion of the meeting, defendant JACKSON and Official 1 accepted \$5,000 each in cash from CW-2. Official 1 stated: "We're working, [CW-2], it's gonna happen."

8. On or about March 22, 2007, defendant JACKSON, Official 1 and two other council members voted down two resolutions that, according to defendant JACKSON and Official 1, favored the incumbent broker-of-record for certain City of Passaic insurance brokerage contracts.

9. On or about March 26, 2007, defendant JACKSON spoke with CW-1 and CW-2 over the telephone. Defendant JACKSON explained how he had arranged for the Insurance Brokerage Business to share certain insurance brokerage business for the City of Passaic with the incumbent broker. With respect to his conversations with a City of Passaic employee about the award of the Passaic insurance contracts, defendant JACKSON stated that he "laid the law on him, man, and let him know that we in control, we got the votes."

10. On or about April 4, 2007, in a telephone call with CW-2, defendant JACKSON stated: "I just want to you assure you my friend, trust me on this, I have the lead on this thing The only thing that I'm assuring you is that our Passaic thing is intact." When CW-2 asked defendant JACKSON if he could "do something" and "what was the number," defendant JACKSON responded, "I think it was six" (referring to the amount of the corrupt payment sought by defendant JACKSON).

11. On or about April 5, 2007, defendant JACKSON and CW-2 met in a car in Newark, New Jersey. Defendant JACKSON accepted \$6,000 in cash from CW-2. After receiving the money, defendant JACKSON stated: "I appreciate it, baby. Good things is gonna happen."

12. On or about May 4, 2007, defendant JACKSON and CW-1 met in CW-1's car in Newark, New Jersey. Defendant JACKSON accepted \$3,000 in cash from CW-1 and explained that the payment was an "advance on the deal," not a political contribution, to which defendant JACKSON responded, "no problem."