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**FORMER NEW YORK STATE ASSEMBLYMAN PLEADS GUILTY
TO HONEST SERVICES MAIL FRAUD**

*30-Year Queens Assemblyman Anthony Seminerio Used Consulting
Company To Conceal Approximately \$1 Million In Corrupt Payments*

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, announced that former New York State Assemblyman ANTHONY SEMINERIO pleaded guilty today in Manhattan federal court to defrauding the public of his honest services. SEMINERIO, who represented New York's 38th Assembly district in Queens until his resignation yesterday, admitted to using a consulting firm he controlled to receive corrupt payments from various entities with business before the State of New York. SEMINERIO entered his guilty plea to the charge contained in a one-count Superseding Indictment before United States District Judge NAOMI REICE BUCHWALD. According to the Superseding Indictment:

SEMINERIO served as a member of the Assembly from 1978 until his June 23, 2009, resignation from that body. His official duties included voting upon legislation, acting as a public advocate on behalf of constituents and others, and discussing, persuading, and influencing other legislators with respect to matters before the Assembly. Like all elected officials in New York, SEMINERIO owed a duty of honest services to the citizens of New York State. New York law makes it a crime for a member of the Assembly to receive payments of any kind for taking official action. Similarly, New York law imposes a duty on elected officials, including members of the Assembly, to avoid any business or professional engagements that are in substantial conflict with the proper discharge of the member's official duties.

From 1999 through September 2008, SEMINERIO engaged in a scheme to defraud the public of his honest services by using a purported consulting firm, "Marc Consultants," to solicit and receive "consulting" payments from persons and entities having business before the State of New York. SEMINERIO did little or

no consulting work but nonetheless received approximately one million dollars from various entities with business before the State of New York, who thereby benefitted from favorable treatment within the state government. Those entities included hospitals and related entities; a consulting firm associated with an educational institution; and a firm engaged in marketing supplemental insurance packages to public institutions.

In 1999 SEMINERIO, among other things, approached the founder of a Queens-based consulting company for whom he had previously worked and demanded a share of the company's revenue. When the consultant resisted, SEMINERIO retaliated by writing and calling many of the consultant's clients, telling them he was no longer associated with the firm, and pressuring some of them to stop paying the consultant and instead hire SEMINERIO. As a result, the consultant lost his client base and his company folded.

That summer, SEMINERIO also pressured the president of a Queens, New York-based non-profit organization that depended largely on New York State funding. SEMINERIO asked the organization's president to become his consulting client, repeatedly advancing his request when the president refused to respond. In January 2000, SEMINERIO met with the organization's president at his Albany legislative office and warned that if the president failed to hire him, SEMINERIO would "kill" any bill the president tried to pass in Albany and would ruin the relationship between the president and any legislator working with him. After this meeting, the organization's president agreed to hire SEMERINO and paid a monthly fee for approximately two years to Marc Consultants.

More recently, on July 10, 2008, SEMINERIO called a senior New York State health department official and assured him that he had "a friend of me in the Assembly." The official mentioned that he had been speaking with a New York State Senator who supported the acquisition of certain hospitals by a particular hospital (that had not paid consulting fees to SEMINERIO). SEMINERIO replied that he would rather see another hospital (that had paid him consulting fees) "get it." SEMINERIO did not disclose to the official that the second hospital had hired him, nor did he disclose that the first hospital had refused to hire him. During today's plea proceeding, SEMINERIO specifically admitted that he had a conversation on July 10, 2008 with a representative of a New York State agency, during which he advocated in favor of Jamaica Hospital in connection with a New York State matter. SEMINERIO acknowledged that he intentionally did not disclose to the representative the fact that he was being

paid a consulting fee by the hospital, and that his conduct had the effect of depriving others of the right of honest services, stating, "I knew that my conduct was illegal and wrong."

"Instead of using his office to help New Yorkers, Anthony Seminerio used his office to help himself. Anthony Seminerio was caught red-handed violating the law and the public's trust by taking hundreds of thousands of dollars in corrupt payments," Mr. DASSIN stated. "Today's guilty plea marks another significant step in our ongoing effort to combat public corruption."

SEMINERIO, 74, of Queens, New York, pleaded guilty to one count of honest services mail fraud, which carries a maximum sentence of 20 years in prison. The Government did not enter into a plea agreement with SEMINERIO. Sentencing is scheduled for October 20, 2009, at 10:00 a.m. before Judge BUCHWALD.

Mr. DASSIN praised the investigative work of the Federal Bureau of Investigation in this case. The investigation is continuing.

The prosecution is being handled by the Office's Public Corruption Unit. Assistant United States Attorneys DANIEL L. STEIN and WILLIAM J. HARRINGTON are in charge of the prosecution.

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