

Prepared Remarks Concerning United States v. Anthony Seminerio

by

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GOOD AFTERNOON.

TODAY WE ANNOUNCE THE ARREST OF NEW YORK STATE ASSEMBLYMAN ANTHONY SEMINERIO FOR CONCEALING MORE THAN \$500,000 IN CORRUPT PAYMENTS THAT HE RECEIVED FROM ENTITIES HAVING BUSINESS BEFORE NEW YORK STATE.

FOR THE PAST 30 YEARS, ANTHONY SEMINERIO HAS BEEN A NEW YORK STATE ASSEMBLYMAN FROM THE 38TH DISTRICT IN QUEENS. AS A MEMBER OF THE NEW YORK STATE LEGISLATURE, SEMINERIO WAS ENTRUSTED TO SERVE AND PROTECT THE INTERESTS OF THE CITIZENS OF NEW YORK STATE. HE WAS BOUND BY THE LAW AND OBLIGATED TO THE PUBLIC TO AVOID BUSINESS DEALINGS THAT CONFLICTED WITH HIS OFFICIAL DUTIES. AND AS A VETERAN LAWMAKER IN ALBANY, HE HAD THE POWER AND THE INFLUENCE

TO PROMOTE OR OPPOSE LEGISLATION ON BEHALF OF HIS CONSTITUENTS. BUT RATHER THAN USE THAT POWER TO FURTHER THE INTERESTS OF THE PEOPLE WHO ELECTED HIM, ASSEMBLYMAN SEMINERIO PUT HIS OFFICE UP FOR SALE TO THOSE WILLING TO PAY THE RIGHT PRICE.

IN APRIL 2000, SEMINERIO OPENED A BANK ACCOUNT IN THE NAME OF MARC CONSULTANTS. IN REALITY MARC CONSULTANTS WAS A PASS-THROUGH, MERELY A NAME ON A BANK ACCOUNT THAT ALLOWED SEMINERIO TO RECEIVE HUNDREDS OF THOUSANDS OF DOLLARS IN CORRUPT PAYMENTS FOR OFFICIAL ACTS IN THE ASSEMBLY AND WITH OTHER NEW YORK STATE OFFICIALS.

BECAUSE NEW YORK'S PUBLIC OFFICERS LAW PERMITS MEMBERS OF THE LEGISLATURE TO DISCLOSE THEIR OUTSIDE INCOME IN THE NAME OF A BUSINESS, RATHER THAN IN THE NAMES OF THE ACTUAL CLIENTS OF THAT BUSINESS, SEMINERIO WAS ABLE TO USE MARC CONSULTANTS TO CONCEAL HIS STREAM OF CORRUPT PAYMENTS.

AS DESCRIBED IN THE COMPLAINT UNSEALED TODAY, A NEW YORK

CITY HOSPITAL, WHOSE FUNDING WAS SUBSTANTIALLY AFFECTED BY THE NEW YORK STATE BUDGET, HIRED AND PAID SEMINERIO MORE THAN \$300,000 IN PURPORTED "CONSULTING" FEES THROUGH MARC CONSULTANTS. HOWEVER, INSTEAD OF PROVIDING CONSULTING SERVICES TO THE HOSPITAL, SEMINERIO USED HIS OFFICIAL POSITION (1) TO PERSUADE OTHER NEW YORK STATE LEGISLATORS TO TAKE POSITIONS FAVORABLE TO THE HOSPITAL WITH RESPECT TO LEGISLATIVE MATTERS, INCLUDING THE NEW YORK STATE BUDGET; AND (2) TO PERSONALLY LOBBY NEW YORK STATE EXECUTIVE BRANCH OFFICIALS ON BEHALF OF THE HOSPITAL.

DURING THE COURSE OF THE INVESTIGATION, THE FBI INTRODUCED A COOPERATING WITNESS TO SEMINERIO. THAT CW THEN INTRODUCED AN UNDERCOVER OFFICER POSING AS A POTENTIAL CLIENT OF MARC CONSULTANTS. THE UNDERCOVER CLAIMED HE WAS A BUSINESSMAN INTERESTED IN PROPOSING LEGISLATION IN ALBANY THAT WOULD PRIVATIZE NEW YORK STATE PROBATION SERVICES TO THE BENEFIT OF HIMSELF AND OTHER INVESTORS. HE

ALSO TOLD SEMINERIO THAT HE WANTED ASSISTANCE FROM THE STATE IN PURSUING CERTAIN REDEVELOPMENT PROJECTS. IN EXCHANGE FOR \$25,000 IN PAYMENTS TO MARC CONSULTING, SEMINERIO USED HIS OFFICIAL POSITION TO ARRANGE FOR THE UNDERCOVER TO MEET WITH CHAIRS OF LEGISLATIVE COMMITTEES IN BOTH THE ASSEMBLY AND THE SENATE AND DISCUSS HIS PROPOSED LEGISLATION AND REDEVELOPMENT PROJECTS.

SEMINERIO KNEW WHAT HE WAS DOING WAS WRONG. SEMINERIO'S OWN CONSULTING CONTRACT WITH THE UNDERCOVER MADE CLEAR THAT SEMINERIO COULD NOT PROVIDE ANY SERVICES "IN RESPECT OF ANY UNIT OR AGENCY OF THE STATE OF NEW YORK, INCLUDING THE STATE LEGISLATURE." BUT ONCE THE UNDERCOVER'S CHECKS STARTED CLEARING, THAT'S EXACTLY WHAT SEMINERIO DID. SEMINERIO ARRANGED AND ATTENDED A MEETING AT AN ALBANY RESTAURANT BETWEEN THE UNDERCOVER AND THE CHAIR OF AN ASSEMBLY COMMITTEE WITH OVERSIGHT OVER THE UNDERCOVER'S PROPOSED LEGISLATION, DURING WHICH THEY DISCUSSED THE UNDERCOVER'S LEGISLATIVE INTERESTS.

AFTER THE ASSEMBLY COMMITTEE CHAIR LEFT, THE UNDERCOVER GAVE SEMINERIO A CHECK FOR \$5,000 PAYABLE TO MARC CONSULTANTS. AS HE POCKETED THE CHECK, SEMINERIO TOLD THE UNDERCOVER THAT THE MONEY WAS NONE OF THE OTHER ASSEMBLYMAN'S BUSINESS.

THE ABSENCE OF GENUINE TRANSPARENCY IN ALBANY PROVIDES COVER FOR OFFICIALS SEEKING TO ENRICH THEMSELVES AT THE PUBLIC'S EXPENSE. THROUGH VARIOUS INVESTIGATIVE TECHNIQUES, THE FBI WAS ABLE TO EXPOSE SEMINERIO'S CORRUPT DEALINGS. RECORDINGS WERE MADE BY THE COOPERATING WITNESS AND THE UNDERCOVER OF THEIR MEETINGS WITH THE ASSEMBLYMAN. THE FBI ALSO MADE A NUMBER OF COURT-AUTHORIZED WIRETAP RECORDINGS OF SEMINERIO'S TELEPHONE CALLS, INCLUDING CONVERSATIONS BETWEEN SEMINERIO AND HIS PURPORTED CONSULTING CLIENTS. THOSE CONVERSATIONS TELL A STORY OF CORRUPTION IN THE DEFENDANT'S OWN WORDS.

[CHARTS – TAKEN FROM PUBLICLY-FILED COMPLAINT]

THE PEOPLE OF NEW YORK WHO SENT ANTHONY SEMINERIO TO ALBANY HAD A RIGHT TO HIS HONEST SERVICES. BUT WHAT YOU HEAR IN THOSE CONVERSATIONS WITH THE COOPERATING WITNESS AND THE UNDERCOVER, AND WHAT YOU HEAR ON THE WIRETAPPED PHONE CONVERSATIONS, IS NOT AN ELECTED OFFICIAL SERVING THE PUBLIC, IT IS THE VOICE OF A SALESMAN, SELLING OUT HIS OFFICE, VIOLATING THE PUBLIC TRUST, AND BREAKING FEDERAL LAW.

THE COMPLAINT UNSEALED TODAY CHARGES SEMINERIO WITH USING THE U.S. MAIL TO CARRY OUT A SCHEME TO DEFRAUD THE PUBLIC OF THEIR RIGHT TO SEMINERIO'S HONEST SERVICES IN THE ASSEMBLY. IN THE LAST SEVERAL DAYS, FBI AGENTS EXECUTED COURT-AUTHORIZED SEARCH WARRANTS ON SEMINERIO'S ALBANY OFFICE, QUEENS DISTRICT OFFICE, AND HIS HOME. IN ADDITION, WE HAVE SEIZED THE CONTENTS OF THE MARC CONSULTING BANK ACCOUNT. THIS INVESTIGATION IS ONGOING.

I WOULD LIKE TO COMMEND THE WORK OF THE FBI PUBLIC
CORRUPTION SQUAD, AND THE PROSECUTORS AND INVESTIGATORS
FROM THIS OFFICE'S PUBLIC CORRUPTION UNIT.

I WOULD NOW LIKE TO INTRODUCE MARK MERSHON, ASSISTANT
DIRECTOR IN CHARGE OF THE FEDERAL BUREAU OF INVESTIGATION
IN NEW YORK.