

United States Attorney District of New Jersey

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FORMER NEW JERSEY STATE ASSEMBLYMAN DANIEL M. VAN PELT CONVICTED OF ATTEMPTED EXTORTION AND BRIBERY

TRENTON, N.J. – Former New Jersey State Assemblyman Daniel M. Van Pelt was convicted today for accepting \$10,000 in cash in exchange for agreeing to provide assistance in securing government approvals for purported real estate projects in Waretown, New Jersey, United States Attorney Paul J. Fishman announced. At the time he accepted the payment, Van Pelt was also a Waretown Committeeman and the Township Administrator in Lumberton, New Jersey.

The jury returned the guilty verdict against Van Pelt, 45, following a two-week trial before United States District Judge Joel A. Pisano in Trenton. Van Pelt was convicted of both counts of the Indictment against him on which he was tried: one count of attempted extortion under color of official right and one count of bribery.

U.S. Attorney Fishman stated: "This conviction should remind public officials that no matter what you call it, a bribe is a bribe."

According to documents filed in this case and the evidence at trial:

On February 11, 2009, Van Pelt and a cooperating government witness ("CW") met at the Ocean Breeze Diner in Waretown. When the CW suggested to Van Pelt that he was willing to pay Van Pelt for his assistance in obtaining government approvals, including Coastal Area Facilities Review Act ("CAFRA") permits from the New Jersey Department of Environmental Protection, a New Jersey State agency, Van Pelt suggested to the CW, "Hey, you should hire me as a consultant," and laughed. At the end of the meeting, the CW offered to pay Van Pelt \$10,000 for his assistance. Ten days later, on February 21, 2009, Van Pelt and the CW met at a restaurant in Atlantic City, and Van Pelt accepted an envelope from the CW containing \$10,000 in \$100 bills. After handing over the envelope, the CW told Van Pelt that he wanted Van Pelt's assistance obtaining CAFRA permits and Van Pelt responded, "Well you call me anytime."

On February 23, 2009, Van Pelt deposited \$5,500 of the bribe money in his personal bank account. He deposited \$4,400 six days later, and used the money to pay bills and trade stocks on E*TRADE. He never formed a consulting company.

On February 23, 2009, after his initial \$5,500 deposit, Van Pelt contacted the Ethics Counsel to the New Jersey Legislature and informed her that he was thinking about starting a consulting business that would represent private parties before exclusively local government

entities in Ocean County. Van Pelt did not disclose his receipt of \$10,000 in cash from the CW and stated to Ethics Counsel that he in fact had no clients. Van Pelt also falsely stated that his intention was to represent clients in Berkeley Township, the largest town in his legislative district, rather than Waretown, where he continued as a local official. He further failed to disclose that he had agreed to help the CW obtain state government permits. In response, the Ethics Counsel instructed Van Pelt that he could not agree to assist private clients obtain permits from State agencies and that if he did obtain a private client, he would have to submit his consulting agreement and all pertinent details for review before proceeding.

Following his conversation with the Ethics Counsel, Van Pelt continued to meet with the CW and agree to use his official action and influence as a New Jersey State Assemblyman to help expedite the CW's CAFRA permit approvals. During a meeting on March 30, 2009, Van Pelt agreed that he could help the CW expedite his application and boasted that he "was able to get somebody a CAFRA permit in six months." Van Pelt then commented that he knew how to work the channels. At the same meeting, Van Pelt falsely stated to the CW that he had the CW's envelope in his top drawer. Van Pelt told the CW, "if I don't deliver, you're getting it back."

At another meeting, on May 15, 2009, Van Pelt reassured the CW that when the CW had CAFRA applications pending at the DEP, Van Pelt would "make a few phone calls and ask them to, you know, move them to the top of the pile" and, further, that he would "go sit down and physically meet with them" in order to expedite the applications.

Van Pelt's conviction on Count One of the Indictment, attempted extortion under color of official right, carries a maximum statutory penalty of 20 years in prison and a \$250,000 fine. Van Pelt's conviction on Count Two, bribery, carries a maximum statutory penalty of 10 years in prison and a \$250,000 fine. Sentencing is currently scheduled for August 24, 2010.

In determining the actual sentence, Judge Pisano will consult the advisory United States Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The Judge, however, is not bound by those guidelines in determining a sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Fishman credited Special Agents of the Federal Bureau of Investigation Red Bank Resident Agency, under the direction of Special Agent in Charge Michael B. Ward, in Newark, and the Internal Revenue Service Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation leading to today's conviction.

The case was prosecuted by Assistant United States Attorneys Dustin Chao and Rachael A. Honig, of the U.S. Attorney's Office Criminal Division in Newark.

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Defense counsel: Michael V. Gilberti, Esq., Red Bank, New Jersey Robert R. Fuggi, Jr., Esq., Toms River, New Jersey