



*United States Attorney
District of New Jersey*

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**FORMER ASSEMBLYMAN AND PERTH AMBOY MAYOR JOSEPH VAS
AND MAYORAL AIDE RAMOS GUILTY OF MAIL AND
FEDERAL ELECTION FRAUD**

NEWARK – A federal jury today convicted former Assemblyman and Perth Amboy Mayor Joseph Vas and his longtime aide Melvin Ramos of two counts of mail fraud for corruptly misusing Vas’s position as the mayor to misappropriate \$360,000 in affordable housing funds, U.S. Attorney Paul J. Fishman announced. The jury also convicted Vas, 55, of one count of fraud and misapplication of funds in connection with unlawfully misapplying \$90,000 in low income housing funds, one count of making false statements to FBI agents, and one count of accepting contributions to a federal candidate in the names of others. In addition, the jury convicted Ramos, 54, of one count of making contributions to a federal candidate in the names of others and two counts of making false statements to the Federal Election Commission.

The jury acquitted Vas and Ramos of four counts of mail fraud.

“This is yet another successful example of our Office’s effort to root out political corruption in the state of New Jersey,” said Fishman. “Public officials in New Jersey should take note: lining your pockets at the public’s expense is intolerable. Today’s verdict is a credit to all those who have worked tirelessly on this complex investigation and prosecution and are dedicated to this critical work.”

The jury began deliberating on Tuesday, Oct. 5 and returned a verdict today. District Judge Susan D. Wigenton, who presided over the nearly three-week trial, has not yet scheduled sentencing.

The case was tried by Assistant U.S. Attorneys Brian R. Howe, Deputy Chief, Jenny R. Kramer and Christopher J. Gramiccioni, of the U.S. Attorney’s Office Special Prosecutions Division.

Specifically, the Indictment charged the defendants with a scheme in which Vas and Ramos misused Vas’s position and authority as mayor to assist Vas in selling a 12-unit Perth Amboy apartment building on DeKalb Avenue. As part of the scheme, Vas bought the building in December 2005 for approximately \$660,000 – well under the \$955,000 property appraisal Vas had obtained – and then five months later, in May 2006, “flipped” the property to a contractor for approximately \$950,000. To induce the contractor to buy the property, Vas and Ramos assured him that a significant amount of affordable housing funding would be available to offset the cost of renovating the building. After selling the property, Vas used his official influence as

mayor by directing city employees to submit a resolution to the Perth Amboy City Council to authorize \$360,000 in funds for the rehabilitation of the property. City Council members voted to approve the resolution on June 14, 2006. Though Vas was present at the council meeting, he did not disclose any facts regarding the lucrative profit he had just received from his recent sale.

Furthermore, the Indictment charged that, later in 2006 and early 2007, Vas misused his authority to direct city employees to make a \$90,000 advance payment, even though state officials had not yet approved this project as state law required. The Indictment further charged that Vas failed to completely recuse himself from this matter; that he and Ramos conceal material aspects of this arrangement; and that both defendants furthered their scheme through the mails and a courier service.

After the investigation began, Vas was interviewed by Special Agents of the FBI on Dec. 4, 2008. The jury found that, in that interview, Vas falsely stated that he had never spoken with the contractor about the availability of city funds for the property, and that he never directed city officials to sign off on the \$90,000 disbursement.

Ultimately, Vas used approximately \$75,000 of his approximately \$290,000 in profits from the sale of the apartment building to fund his 2006 congressional primary campaign for the Democratic nomination in New Jersey's 13th District.

Ramos also was convicted for his participation in a scheme to use conduit donors to funnel contributions to that same campaign. Ramos, who was Vas's campaign treasurer, used four straw donors to contribute between \$2,000 and \$2,100 each to Vas's federal campaign. Ramos funded the straw donations by giving cash to each donor and then having the straw donor provide him with a check made out to the campaign fund. Such conduct is prohibited by federal election law. Ramos then filed false and fraudulent reports with the FEC regarding these contributions.

Finally, the jury convicted Vas of accepting campaign contributions which he knew to have been obtained in violation of federal election law.

Each count of mail fraud carries a maximum statutory penalty of 20 years in prison; the fraud and misapplication of funds count carries a maximum penalty of 10 years in prison; and each count of making false statements carries a maximum statutory penalty of five years in prison. Each of the above counts carry a maximum fine of \$250,000.

The count of making contributions to a federal candidate in the names of others against Ramos carries a maximum statutory penalty of one year in prison; and the count of accepting contributions to a federal candidate in the names of others against Vas carries a maximum statutory penalty of two years in prison and a mandatory minimum fine of 300 percent of the amount involved in the violation and a discretionary maximum fine of the greater of \$50,000 or 1,000 percent of the amount involved in the violation.

In determining the sentences, Judge Wigenton will consult the advisory U.S. Sentencing Guidelines, which recommend sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors, including acceptance of responsibility. The judge, however, has discretion and 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 of that time.

Fishman credited Special Agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward, for their commitment of resources and success in the investigation leading to today's convictions.

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Defense Attorneys:

Vas - Alan L. Zegas and Edward J. Byrne, Esq. Chatham

Ramos - Jerome A. Ballarotto, Esq. Trenton