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NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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**DIVISION OF CRIMINAL JUSTICE & WATERFRONT COMMISSION ARREST
TOP UNION OFFICIAL IN ALLEGED SHAKE-DOWN OF DOCK WORKERS
*Four Other Men, Including Newark Police Officer, Also Charged In Joint Investigation***

TRENTON - Attorney General Paula T. Dow, Criminal Justice Director Stephen J. Taylor and New Jersey Commissioner Barry H. Evenchick of the Waterfront Commission of New York Harbor announced the arrest today of a top official of the International Longshoremen's Association (ILA) and three current or former ILA members on charges that they extorted money from dock workers by demanding "tribute" for better jobs and pay, or engaged in loansharking. A Newark police officer was also arrested.

The arrests stem from Operation Terminal, an ongoing investigation by the New Jersey Division of Criminal Justice and the Waterfront Commission of New York Harbor into the activities of a criminal enterprise that allegedly has exercised control and corrupt influence over ILA locals operating shipping terminals at the Port of New York and New Jersey.

Early this morning, detectives from the two agencies arrested Nunzio LaGrasso, 59, of Florham Park, Secretary-Treasurer of ILA Local #1478, on second-degree charges of extortion and commercial bribery. LaGrasso is Vice President of the Atlantic Coast District of all ILA locals.

Also arrested was LaGrasso's nephew, Newark Police Officer Alan Marfia, 38, of Kenilworth. Marfia is charged with second-degree official misconduct for allegedly using his access to police databases to obtain information for LaGrasso on undercover police vehicles that were conducting surveillance near his union office. Three other men were arrested on charges including extortion, commercial bribery, loansharking and money laundering.

"Our investigation revealed that longshoremen were between a rock and a hard place when it came to paying tribute to these alleged criminals," said Attorney General Dow. "They could either pay up or they could forget about better assignments, higher pay and overtime. We charge that LaGrasso, as a top union official, was at the center of this scheme."

"These arrests are another step in the continuing battle to rid the Port of organized criminal activity," said Commissioner Evenchick. "The Waterfront Commission is committed to working with its law enforcement partners through both criminal and administrative actions to rid the harbor of those who prey on hardworking dockworkers. It is particularly egregious when a union official preys upon those he is legally bound to represent and protect. Such conduct will be vigorously investigated and prosecuted."

“For decades, the Division of Criminal Justice has stood shoulder to shoulder with the Waterfront Commission, working steadfastly to rid the waterfront of criminal influence,” said Director Taylor. “We will continue to identify and prosecute any union officials and any members or associates of criminal organizations who are corruptly controlling commercial activities at the port. We will get them off of the docks and into prison where they belong.”

The investigation into the activities of the alleged criminal enterprise at the New Jersey waterfront revealed that ILA members working at the shipping terminals are required to make a cash “tribute” payment at Christmas time each year to the enterprise out of the year-end bonuses each ILA member receives called “container royalty checks.”

It is alleged that those payments are funneled to the criminal enterprise through LaGrasso. The payments must be made for union members to receive high-paying jobs, preferred shift assignments and overtime, all as determined under the influence of the criminal enterprise. Each of the thousands of union members allegedly must make a payment that typically ranges from a couple of hundred dollars to a couple of thousand dollars depending on the size of the container royalty check.

It is alleged that LaGrasso collected some tribute payments directly, but usually relied on others to collect them. One of those alleged accomplices, Rocco Ferrandino, 68, of Lakewood, a timekeeper at Maher Terminal in Port Newark/Elizabeth, was among those arrested today. Like LaGrasso, he is charged with second-degree extortion and second-degree commercial bribery.

The other men arrested today and charged as part of the criminal enterprise are Joseph Queli, 63, of Wall, and Nicholas Bergamotto, 63, of Newark. Each of them is charged with second-degree criminal usury, commonly called loansharking, and third-degree money laundering.

It is alleged that Queli made loans to ILA members at usurious interest rates, ranging from 78 to 156 percent per year. Queli or Bergamotto, acting on his behalf, would allegedly demand weekly payments from the union members of 1 ½ to 3 percent interest on the loan amount. Bergamotto allegedly gave the money he collected on such loans to Queli.

The five defendants were arrested without incident at various locations. They were lodged in the Hudson County Jail. Superior Court Judge Kevin G. Callahan in Hudson County set bail at \$75,000 cash for each man, with the exception of Queli, whose bail was set at \$100,000 cash.

Attorney General Dow and Commissioner Evenchick credited all of the detectives, attorneys and officers who worked on the investigation for the Division of Criminal Justice Gangs & Organized Crime Bureau and the Waterfront Commission of New York Harbor. They also thanked Newark Police Director Garry McCarthy for the valuable assistance of his department.

Second-degree crimes carry a maximum sentence of 10 years in state prison and a \$150,000 fine, while third-degree crimes carry a maximum sentence of five years in prison and a \$15,000 fine. The criminal complaints are merely accusations and the defendants are presumed innocent until proven guilty. Because indictable offenses are charged, the allegations will be presented to a grand jury for potential indictment.

The Port of New York and New Jersey is the largest port complex located on the East Coast of North America. Roughly \$200 billion in cargo moves through the port each year.

Through the years, the New Jersey Division of Criminal Justice and the Waterfront Commission have conducted investigations into the activities of organized crime in and around the port. Past investigations have led to prosecution of union officials and members of the Genovese crime family, which has been found to control or exert significant influence over the ILA and commercial activity at the waterfront. Their criminal activities have included extortion, fencing, commercial bribery, loansharking and gambling.

An earlier investigation by the Division of Criminal Justice and the Waterfront Commission from 2003 to 2004 led to the successful prosecution of Genovese crime family members who illegally controlled several terminals within the Port of New York and New Jersey and extracted payments from ILA members for work assignments.

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