

## U.S. Department of Justice

United States Attorney Eastern District of New York

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FOR IMMEDIATE RELEASE

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# **PRESS RELEASE**

# RYAN N. HERMON, CHIEF OF STAFF TO NEW YORK STATE ASSEMBLYMAN WILLIAM F. BOYLAND, JR. CHARGED WITH BRIBERY AND HOBBS ACT EXTORTION CONSPIRACY

Loretta E. Lynch, United States Attorney for the Eastern District of New York, and Janice K. Fedarcyk, Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation, today announced the unsealing of a complaint charging Ryan N. Hermon, chief of staff for New York State Assemblyman William F. Boyland, Jr. with bribery and conspiracy to solicit more than \$250,000 in exchange for performing official acts for the bribe payers. Hermon was arrested today and is scheduled to be arraigned this afternoon before United States Magistrate Judge Robert M. Levy, at the U.S. Courthouse, 225 Cadman Plaza East, Brooklyn, New York.

The criminal complaint alleges the following:

Between August 2010 and August 2011, Hermon, Assemblyman Boyland and others conspired to solicit and accept bribes from a carnival promoter ("CW") and two undercover FBI agents ("UC1" and "UC2"), whom they believed to be out-of-state businessmen and real estate developers, in exchange for taking official action to secure business opportunities for CW, UC1 and UC2. Hermon is also charged with bribery for soliciting and accepting several thousand dollars in cash bribes from UC1 in exchange for taking official actions as opportunities arose on behalf of CW's carnivals.

<sup>&</sup>lt;sup>1</sup> The charges contained in the complaint are merely allegations, and the defendant is presumed innocent unless and until proven guilty.

#### Carnival Scheme: Hermon Solicits and Takes Approximately \$2,000 in Cash Bribes

Starting in August 2010, Assemblyman Boyland agreed to assist CW and UC1 with CW's carnival business.<sup>2</sup> In February 2011, Hermon told UC1 during a recorded conversation that she had become a member of the "team" assigned to work on CW's carnivals.

On February 24, 2011, CW met with Hermon and another member of Assemblyman Boyland's staff to discuss what CW needed from Assemblyman Boyland's office. At the recorded meeting, Hermon asked CW whether she would be paid for her work: "[W]e are not making any money. Are we getting some money for this?" When the CW responded affirmatively, Hermon asked: "Are we getting money or are you giving it to my boss?" She then stated, "[M]y check can go to my business needs."

On February 27, 2011, Hermon solicited and took a \$1,000 cash bribe from UC1 at a restaurant in Manhattan. During the recorded meeting, UC1 and Hermon discussed what UC1 and CW needed from Assemblyman Boyland's office for the carnivals. UC1 suggested that a call from Hermon to government officials would carry "more weight" than calls from other staffers. Hermon agreed, stating, "Absolutely, it does."

During this meeting Hermon again indicated to UC1 that she was interested in being paid for her work, stating, "I wouldn't mind, you know, eating some steak or potatoes." UC1 offered to give Hermon a "down payment," which Hermon enthusiastically accepted. An excerpt of the conversation follows:

UC1: I can even make a down payment today if you like, or

check or cash or whatever you like.

HERMON: I would love that.

UC1: Okay, good.

HERMON: Are you serious?

UC1: Yeah, oh yeah. I come prepared for all-

HERMON: Oh my God!

UC1: I come prepared for all contingencies.

<sup>&</sup>lt;sup>2</sup> As detailed more fully in the complaint, to obtain the permissions and/or permits necessary to operate carnivals in New York City, carnival businesses must obtain the support of local community boards and elected officials.

HERMON: You just, like, made me hot.

At the end of the lunch, UC1 paid HERMON \$1,000 in cash.

On or about March 8, 2011, CW met with Hermon at Assemblyman Boyland's district office. Hermon gave CW five signed letters that she had prepared. The letters were written on Assemblyman Boyland's official letterhead and expressed Assemblyman Boyland's support for CW and the carnivals that CW purported to be promoting.

On or about March 31, 2011, Hermon solicited and accepted another \$1,000 cash bribe from UC1 in his car. During the recorded meeting, Hermon told UC1 that she was sharing the money she received from UC1 with other staffers in Assemblyman Boyland's office. Hermon told UC1 that as a result of the bribes, he was receiving better service from the staffers: "[T]he staff, when I come in and say well [UC1] needs this, dah dah dah did dah. They're jumping 'cause they know, like I'm, they're gonna get something or they got something."

# Conspiracy to Solicit Over \$250,000 For Official Action and Influence

Assemblyman Boyland was charged with bribery in a separate case in the Southern District of New York on March 10, 2011.<sup>3</sup>

On or about March 22, 2011, during a recorded telephone conversation, Hermon informed UC1 that she was calling on Assemblyman Boyland's behalf to "see if you can actually help him financially with, you know, retaining an attorney, he needs some cash and he's cash strapped. . . . [T]hat's exactly what he's calling about." Hermon then informed UC1 that the amount Assemblyman Boyland needed was \$7,000.

On or about March 25, 2011, UC1 met Assemblyman Boyland at his district office in Brooklyn. During that meeting, which was recorded by UC1, Assemblyman Boyland and UC1 discussed real estate development projects in Assemblyman Boyland's district that Assemblyman Boyland had previously discussed with UC1 and UC2. UC1 made clear that the money he was going to give Assemblyman Boyland was coming from both him and UC2, and in response, Assemblyman Boyland stated, "We'll do business." UC1 then told Assemblyman Boyland that he and UC2 wanted state grant monies to help finance the proposed development projects. Assemblyman Boyland assured UC1 that the money was there and stated that his support was a "no brainer" because the projects are "right here at home."

At the end of the meeting, UC1 gave Assemblyman Boyland the \$7,000 in cash, and stated: "Knowing that if you think you want to bring someone else onboard or knowing that you'll be there politically for us is all that we're looking for." In response, Assemblyman Boyland made a "thumbs up" sign and affirmed that "the political thing will be fine in terms of just where we need to go because I'm thinking environmental and I'm thinking the two houses of the state and city. You know, the relationships are there."

<sup>&</sup>lt;sup>3</sup> Boyland was acquitted of those charges on November 10, 2011.

On or about April 29, 2011, during a recorded conversation in a hotel suite in Atlantic City, New Jersey, Assemblyman Boyland solicited a \$250,000 bribe from UC1 and UC2. Assemblyman Boyland proposed a scheme which called for UC1 and UC2 to purchase a former hospital in Assemblyman Boyland's district for \$8 million, obtain state grant money to renovate the hospital, and resell it to a non-profit organization that Assemblyman Boyland claimed to control for \$15 million. In exchange for the \$250,000, Assemblyman Boyland promised that he would, among other things, arrange for the sale and take official action and use his influence to secure state grant money to allow UC1 and UC2 to renovate the hospital so that it could be sold to Assemblyman Boyland's organization for a profit.

Starting in May 2011, Hermon and UC1 had multiple recorded conversations about the hospital deal and the \$250,000 bribe. During one meeting, Hermon told UC1 that Assemblyman Boyland had informed her that UC1 and UC2 had agreed to pay Assemblyman Boyland the \$250,000. UC1 responded that he and UC2 had not agreed to pay the money yet, but stated that "it's not an issue if, if uh we start to move in our direction." Hermon stated that the hospital deal was "doable," that she had been "on the phone with a state representative hearing about their enthusiasm about the project," and that Assemblyman Boyland "definitely has state support." In a later telephone conversation, Hermon told UC1 that "just like the carnival, I'm just being put onto this [hospital] project," and stated that she had attended meetings about the project and set up a meeting for Assemblyman Boyland with a state agency about it. In discussing the project, she stated that Assemblyman Boyland "has the power 'cause of the fact that it's state, that's one, and he's a state Assemblyman. Also, he has power because he, it's in his district. And he has the relationships on the state level . . . ."

On or about May 27, 2011, Assemblyman Boyland, Hermon and an individual whom Assemblyman Boyland described as a "developer" met with UC2 and took him on a site tour of the hospital.

On or about June 7, 2011, in a recorded meeting, Hermon told UC1 that Assemblyman Boyland did not want her to continue her efforts to set up meetings between UC1 and other elected officials and that Assemblyman Boyland wanted "them" to stay in the background. Later that day, UC1, UC2 and Assemblyman Boyland met in a hotel room in Manhattan. During a recorded conversation, Assemblyman Boyland renewed his request for \$250,000 in connection with the hospital project.

On or about June 28, 2011, Hermon explained to UC1 during a recorded telephone call that Assemblyman Boyland had not placed a planned call to UC1 because he had been questioned by law enforcement about "his role with the hospital."

"Ryan Hermon's job was to provide aid and assistance to her community. Instead, she allegedly used her position to help herself, trading her influence and energy for personal gain. The charged conduct is an affront to the people of New York," stated United States Attorney Lynch. "Staffers who sell the public's trust are on notice that they will be held

to account for their criminal activities." Ms. Lynch stated that the government's investigation is continuing.

FBI Assistant Director-in-Charge Fedarcyk stated, "Ms. Hermon's responsibility to the public was pushed aside. Apparently, her concept of her job included conspiring with her boss to solicit and take bribes. Every instance of public corruption undermines public confidence, and every instance will be vigorously policed by the FBI."

If convicted, Hermon faces a maximum sentence of 20 years in prison.

The government's case is being prosecuted by Assistant United States Attorneys Roger Burlingame, Carolyn Pokorny and Lan Nguyen.

## **The Defendant:**

RYAN N. HERMON

Age: 33