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**FORMER NEW YORK STATE ASSEMBLYMAN AND LABOR LEADER
BRIAN McLAUGHLIN SENTENCED TO TEN YEARS IN PRISON
FOR RACKEERING AND FALSE STATEMENT CRIMES**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, JOSEPH M. DEMAREST, JR., the Assistant Director-in-Charge of the New York Field Office of the Federal Bureau of Investigation ("FBI"), DANIEL R. PETROLE, the Deputy Inspector General of the United States Department of Labor ("DOL-OIG"), and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced the sentencing today of BRIAN M. McLAUGHLIN, 57, a former New York State Assemblyman and labor organization leader, to 120 months in prison for racketeering and making a false statement on a loan application. United States District Judge RICHARD J. SULLIVAN presided over the sentencing in Manhattan federal court. McLAUGHLIN had previously entered a plea of guilty on March 7, 2008, to Counts One and Forty-Four of the Indictment, charging those offenses.

According to the Indictment, statements made at the

guilty plea proceeding, and additional information presented to the court at sentencing:

McLAUGHLIN functioned as the highest ranking official of the J Division of Local 3 of International Brotherhood of Electrical Workers ("IBEW"), which represents electrical workers in New York City. Members of the J Division typically install and maintain street lights and traffic signals in New York City. McLAUGHLIN stole money from a J Division bank account; accepted payments from union contractors; secretly maintained an interest in a company doing business with union employers, using his position as a union official to advance that company's, and thus his own, financial interests; and directed activities of J Division members for his own personal gain and profit. For example, McLAUGHLIN misappropriated over \$275,000 dollars from a J Division account that was maintained for the benefit of the J Division and its members. The account was funded largely by deductions from union members' paychecks, as well as by contributions from contractors to support the union. McLAUGHLIN used those funds for his personal benefit. McLAUGHLIN also accepted payments from contractors that employed J Division union members, and also accepted vehicles and other personal benefits.

McLAUGHLIN also served as the President of the New York City Central Labor Council (the "CLC"), a chartered affiliate of the American Federation of Labor and Congress of Industrial Organizations, from which he misappropriated approximately \$268,000. McLAUGHLIN had the CLC hire one person, who did little or no substantial work, as both a consultant and an employee. That person funneled his pay from CLC back to McLAUGHLIN, who used it to help pay personal expenses.

McLAUGHLIN was also a New York State Assemblyman, representing the 25th Assembly District in Queens, New York, from 1993 through 2006. As an Assemblyman, McLAUGHLIN misappropriated over \$32,000 from the State of New York. In particular, McLAUGHLIN created fictitious positions on his legislative staff and pocketed a share of the salary for one of the purported employees. He also submitted false claims for reimbursement of his daily expenses.

Finally, in April 2003, in order to obtain a mortgage on a second residence, McLAUGHLIN submitted a loan application in which he falsely stated that he was renting out his current home at a rent that exceeded the mortgage payments he would be making on the loan he was seeking.

In addition to the prison term, Judge SULLIVAN sentenced McLAUGHLIN to three years of supervised release,

ordered that he pay restitution to his victims, and ordered that he forfeit all of the proceeds from his criminal conduct in an amount of over \$3 million, which includes his interest in proceeds from the sale of real property, an automobile and campaign committee funds.

Judge SULLIVAN ordered that McLAUGHLIN will be required to begin serving his sentence by July 21, 2009.

Mr. DASSIN praised the FBI, DOL-OIG, and DOI for the investigation of this case and thanked them for their work. Mr. DASSIN said the investigation is continuing.

This case is being handled by the Office's Public Corruption Unit. Assistant United States Attorney DANIEL BRAUN is in charge of the prosecution.

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