



Department of Investigation

Press Release

Release

DOH HEARING OFFICER ARRESTED ON FEDERAL EXTORTION CHARGES

FRIDAY, MARCH 19, 1999 -- MARY JO WHITE, the United States Attorney for the Southern District of New York, and EDWARD J. KURIANSKY, Commissioner of the New York City Department of Investigation, announced today that JOSE LUIS HUERTAS-PEREZ, a Hearing Officer of the Administrative Tribunal of the New York City Department of Health, has been arrested on extortion charges stemming from his alleged receipt of bribes for lower fines imposed on restaurants.

PEREZ was presented today in Manhattan federal court before United States Magistrate Judge RONALD L. ELLIS.

As described in a Complaint unsealed today, the New York City Department of Health is charged with enforcing the Health Code in New York City restaurants. It employs inspectors who make periodic visits to restaurants and issue violations when infractions in the Health Code are found. The Administrative Tribunal then notifies the restaurant of the amount of the fine to be paid. As a Hearing Officer, PEREZ has authority to lower the fine imposed.

As charged in the Complaint, on December 2, 1998, PEREZ agreed with an individual who represented a restaurant to lower a \$1,700 fine imposed on the restaurant in exchange for a bribe of \$300. At a hearing on December 3, 1998, PEREZ reduced the fine from \$1,700 to \$300. PEREZ arranged for the bribe to be delivered to him on December 8, 1998, at the office of the Administrative Tribunal located at 2 Lafayette Street in Manhattan, according to the Complaint.

The Complaint also charges that on December 24, 1998, PEREZ agreed with a restaurant representative to lower a \$2,900 fine imposed on a restaurant in exchange for a bribe. On January 5, 1999, PEREZ conducted a hearing and reduced the fine to \$300, it was charged. PEREZ allegedly arranged for a \$300 cash bribe to be delivered to him, and received it on the street on Park Row in Manhattan on January 7, 1999.

PEREZ faces a maximum penalty of 20 years in prison and a fine of \$500,000 or twice the gross or loss resulting from his offenses upon conviction.

Ms. WHITE thanked DOI's Inspector General for the City's Health Department for its assistance in the investigation.

PEREZ lives in Bronxville, New York.

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Assistant United States Attorney Robert J. Cramer is in charge of the prosecution.

The charge in the Complaint is merely an accusation, and the defendant is presumed innocent unless and until proven guilty.