



The City of New York
Department of Investigation

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**NEW JERSEY MAN CHARGED IN \$45 MILLION SCHEME TO DEFRAUD NYC DURING
HEIGHT OF PANDEMIC PLEADS GUILTY TO CONSPIRACY TO VIOLATE THE DEFENSE PRODUCTION ACT**

Jocelyn E. Strauber, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on today's guilty plea by RONALD ROMANO, 60, to conspiring to violate the Defense Production Act, in connection with a scheme to supply Personal Protective Equipment ("PPE") to New York City that he did not possess or have authority to sell, at a substantial mark-up. ROMANO, a used car dealer from Manalapan, N.J., engaged in this illegal conduct during the height of the pandemic, at a time when the City of New York was desperately trying to obtain this essential equipment to protect its frontline workers. Today's plea was entered in the United States District Court for the Southern District of New York before U.S. District Judge Andrew L. Carter, Jr. Sentencing is scheduled for September 15, 2022. DOI investigated this matter in partnership with the office of Damian Williams, United States Attorney for the Southern District of New York.

DOI Commissioner Jocelyn E. Strauber said, "Scheming to defraud New York City during a global pandemic with respect to the supply of vital PPE needed to protect frontline workers from a deadly virus was a reprehensible act of pure greed by Mr. Romano. His efforts failed, and instead earned him a federal conviction, thanks in part to procurement specialists at the Department of Citywide Administrative Services (DCAS), who helped to expose the scheme and protect millions of dollars in City funds when they determined that Mr. Romano's prices were exorbitant. As this investigation shows, every City worker plays a critical role in stopping corruption and I commend the DCAS specialists for their diligent and swift action here. I thank the U.S. Attorney's Office for the Southern District of New York for its partnership on this important and successful prosecution."

According to the indictment, between February 2020 and April 2020, ROMANO participated in a scheme to price gouge the City of New York during the pandemic by making false and fraudulent statements to induce the City to pay more than \$45 million for what ROMANO represented to be 3M-brand N95 respirators, a price that was more than 400% above the list price for such respirators. At the time of the scheme, the City of New York was in critical need of lifesaving PPE. Among the fraudulent and false representations made by ROMANO was the submission of a false and misleading document to the City that listed a PPE deal with the Florida Division of Emergency Management that had never occurred. On March 25, 2020, certain PPE was designated as scarce materials under the Defense Production Act, including as relevant here, N95 filtering facepiece respirators. ROMANO was charged in May 2020. Please [click here](#) to read the original release.

Commissioner Strauber thanked U.S. Attorney for the Southern District of New York Damian Williams, and his staff, for their partnership and successful prosecution of this matter. The investigation was handled by Assistant United States Attorneys Nicholas W. Chiuchiolo and Timothy V. Capozzi of the Complex Frauds and Cybercrime Unit in the U.S. Attorney's Office for the Southern District of New York. At DOI, the matter was

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investigated by DOI Office of the Inspector General for the City Department of Citywide Administrative Services, specifically Special Investigator Anastasia Plakas, under the supervision of Deputy Inspector General David Jordan, Inspector General Ann Petterson, Deputy Commissioner/Chief of Investigations Dominick Zarrella and First Deputy Commissioner Daniel G. Cort.

DOI is one of the oldest law-enforcement agencies in the country and New York City's corruption watchdog. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City. DOI's strategy attacks corruption comprehensively through systemic investigations that lead to high-impact arrests, preventive internal controls and operational reforms that improve the way the City runs.

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