



Letitia James

New York State Attorney General

Attorney General James Announces Arrests of Alleged Crime Family Members on Staten Island for Illegal Gambling and Loan Shark Operation

17 Individuals Charged for Roles in \$22 Million Illegal Gambling Ring and Loan Shark Operation
Four Charged for Illegal Mortgage Fraud Scheme

June 5, 2024

NEW YORK – New York Attorney General Letitia James today announced the arrests and indictments of 17 individuals on charges stemming from the operation of lucrative loansharking and illegal gambling operations on Staten Island controlled by members of the Gambino organized crime family. The individuals were charged in an [84-count indictment](#) for their roles in an illegal sports gambling operation that handled more than \$22.7 million in illegal bets and an illegal loansharking operation that brought in weekly loan payments on approximately \$500,000 in usurious loans. In addition, four individuals were charged in a [separate indictment](#) for an illegal mortgage fraud scheme to purchase a \$600,000 home in New Jersey.

Among those arrested today are alleged Gambino soldiers John J. LaForte, Anthony J. Cinque, Jr., and John Matera, alleged Gambino associates Edward A. LaForte, Frederick P. Falcone, Sr., Giulio Pomponio, Daniel F. Bogan, and alleged Colombo associate Charles Fusco.

“Illegal gambling and loan sharking schemes are some of the oldest rackets in the mob’s playbook,” said **Attorney General James**. “While organized crime may still be active in New York, today we are putting several Gambino family members out of business. These criminal enterprises took tens of millions of dollars from New Yorkers and trapped many in dangerous amounts of debt. I thank all of our partners in law enforcement for their collaboration in this investigation to bring these individuals to justice and keep New Yorkers safe.”

The investigation, conducted with the New York City Police Department (NYPD), the New York Waterfront Commission, and the United States Department of Labor Office of Inspector General, utilized court-authorized wiretaps and bugs, covert video surveillance cameras, search warrants on an offshore illegal gambling website, and search warrants of the residences of some of the defendants.

Much of the enterprise’s loansharking and bookmaking business, including the collection of illicit revenue from loansharking victims, was conducted during meetings at the Eltingville Shopping Center and the Greenridge Shopping Center on Staten Island.

The investigation uncovered that Frederick P. Falcone, Sr., a former member of the NYPD, and Edward A. LaForte acted as loan sharks who maintained detailed ledgers with the names of victims and their respective usurious loan amounts. At times, Falcone, Sr. and LaForte needed authorization and funding from LaForte’s brother John J. LaForte and Anthony J. Cinque, Jr. to make the usurious loans. Evidence amassed during the investigation, including intercepted communications, showed that both John J. LaForte and Anthony J. Cinque, Jr. are soldiers in the Gambino Crime Family and utilized this role to oversee the illegal operations.

Additionally, the investigation uncovered that Edward LaForte had a managerial role within an illegal sports gambling operation utilizing an offshore illegal gambling website that is not legally sanctioned in New York state. From September 2022 to March 2023, the operation involved over 70 bettors who wagered approximately \$22,753,964. The operation was also run with Amy McLaughlin, who allegedly assisted in maintaining and organizing the gambling ring, keeping records of the weekly gambling figures, and collecting and distributing proceeds. In addition to receiving illegal gambling proceeds, John LaForte operated and acted in a supervisory role over the operation. John LaForte and Anthony Cinque, Jr. also funded a portion of the illegal gambling activities to assist with the payment of winning bettors.

In his role managing the gambling operation, Edward LaForte supervised several sheetholders – individuals who manage the bets and collections for individual bettors – and other individuals who participated in the illegal sports gambling operation. These individuals have been identified as Charles Fusco, Robert W. Carter, Giulio Pomponio, Arthur Geller, Daniel M. Scarabaggio, Daniel H. Shah, Vincent J. Ricciardi, Frederick Falcone, Sr., Frederick Falcone, Jr., Louis A. Palombo, Daniel F. Bogan, and John Matera. Often, the gamblers who were wagering illegally through these sheetholders would fall into debt and the members of this criminal enterprise would exploit this opportunity by providing a usurious loan and charging and collecting illegally high interest on these loans, making a profit off of a gambler who had fallen into debt.

In addition, a separate mortgage fraud investigation originating from wiretap communications of the gambling and loan shark operations revealed that John LaForte and his wife Tracy Alfano recruited his nephew Joseph W. LaForte, Jr. to fraudulently apply for and accept a mortgage loan to purchase a \$600,000 home in Monmouth County, New Jersey. Joseph W. LaForte, Jr. acted as a straw purchaser of the property where John LaForte and Tracy Alfano currently reside. John Palladino, acting as a mortgage broker, assisted the others in obtaining the mortgage by guiding them through the process. Palladino coached them through the transfer of money to show mortgage eligibility as well as closing on the loan and the property.

The 84 count indictment related to the loan sharking and gambling operations – unsealed today before Richmond County Supreme Court Judge Lisa Grey – charged 17 individuals with multiple crimes, including Enterprise Corruption, Criminal Usury in the First Degree and Second Degree, and Promoting Gambling in the First Degree. If convicted of Enterprise Corruption, a Class B felony, the defendants face a maximum of 25 years in prison.

Those charged in today’s indictment include:

1. John J. LaForte, 56, of Monmouth County, New Jersey
2. Anthony J. Cinque, Jr., 39, Richmond County, New York
3. John Matera, 53, Monmouth County, New Jersey
4. Edward A. LaForte, 58, Richmond County, New York
5. Frederick Falcone, Sr., 66, Richmond County, New York
6. Giulio Pomponio, 61, Richmond County, New York
7. Charles Fusco, 49, Richmond County, New York
8. Daniel F. Bogan, 41, Richmond County, New York
9. Robert W. Carter, 56, Richmond County, New York
10. Louis A. Palombo, 61, Richmond County, New York
11. Arthur Geller, 62, Ocean County, New Jersey
12. Daniel M. Scarabaggio, 62, Ocean County, New Jersey
13. Daniel H. Shah, 38, Hudson County, New Jersey
14. Vincent J. Ricciardi, 59, Ocean County, New Jersey
15. Amy L. McLaughlin, 44, Richmond County, New York
16. James Miranda, 23, Richmond County, New York
17. Frederick Falcone, Jr., 41, Richmond County, New York

Another four-count indictment was unsealed before Richmond County Supreme Court Judge Lisa Grey charging four individuals, including Gambino soldier John LaForte, with Residential Mortgage Fraud in the Second and Third Degree, and Falsifying a Business Record in the First Degree. If convicted of Residential Mortgage Fraud in the Second Degree, a Class C Felony, the defendants face a maximum of 15 years in prison.

Those charged in this indictment include:

1. John J. LaForte 56, Monmouth County, New Jersey
2. Tracy Alfano, 38, Monmouth County, New Jersey
3. Joseph W. LaForte, Jr., 34, Richmond County, New York
4. John Palladino, 54, Monmouth County, New Jersey

The charges against the defendants are merely accusations and the defendants are presumed innocent unless and until proven guilty.

“This case is a stark reminder that organized crime continues to thrive in the New York metropolitan area,” said **Commissioner Paul Weinstein of the New York Waterfront Commission**. “The Gambino Crime Family has historically exerted its influence on the Port of New York. Disruption of its profits from gambling and loansharking weaken that family’s grip. We will continue to work together with our law enforcement partners to combat corruption and racketeering and to keep the public safe.”

“As we have seen for over a century and once again here, illegal bookmaking is often intertwined with organized crime,” said **New York State Gaming Commission Chairman Brian O’Dwyer**. “This is why we have regulated gaming with strong safeguards, player protections, and revenue to make our communities better. With the numerous legal gambling opportunities available in our state, there is no legitimate reason

to wager with offshore operations and blindly line the pockets of alleged gangsters. I applaud Attorney General James and our partners in government for working together to bring this important case.”

“These arrests reflect the commitment of the NYPD and our law enforcement partners, at all levels of government, to keep our communities safe by dismantling organized crime and protecting the public from its insidious effects,” said **NYPD Commissioner Edward A. Caban**. “I commend all of our investigators and everyone at the state Attorney General’s office for their dedication to this long-term case and their ongoing commitment to our shared public safety mission.”

“While sports betting may be legal in the state of New York, operating an off-the-books multi-million dollar gambling enterprise, engaging in blatant usury and intimidation, and sinking countless New Yorkers into crippling debt is not,” said **Richmond County District Attorney Michael E. McMahon**. “Illegal gambling is by no means a victimless crime and these 17 defendants, including nearly a dozen Staten Islanders, stand accused of raking in tens of millions of dollars from our neighbors while engaging in brazen loansharking and mortgage fraud. I commend our partners in the New York State Attorney General’s Office, NYPD, Waterfront Commission of New York Harbor, and U.S. Department of Labor, Office of the Inspector General for their incredible investigatory efforts and commitment to holding these individuals accountable in the courtroom.”

The investigation was led by NYPD Sergeant Jack Dagnese, formerly of the Criminal Enterprise Investigations Section, under the supervision of NYPD Sergeant Joseph Rivera, Lieutenant Jason Forgione, Inspector Osvaldo Nunez and Assistant Chief Jason Savino of the Criminal Enterprise Investigations Section, and under the overall supervision of Chief of Detectives Joseph Kenny.

For the Office of the Attorney General (OAG), the investigation was led by Organized Crime Task Force (OCTF) Detectives Shavaun Clawson and Ramon Almodovar, under the supervision of OCTF Supervising Detective Paul Grzegorski, Assistant Chief Ismael Hernandez, and Deputy Chief Andrew Boss, with special

assistance from the detective specialists from the OAG Special Operations Unit, led by Deputy Chief Sean Donovan. The Attorney General's Investigations Division is led by Chief Oliver Pu-Folkes.

For the New York Waterfront Commission, the investigation was conducted by Detective Joseph Curran and Detective William McCabe, under the supervision of Sergeant Andrew Varga and under the overall supervision of Executive Director Phoebe Sorial.

The case is being prosecuted by OCTF Assistant Deputy Attorney General Joseph Marciano, under the supervision of Downstate OCTF Deputy Chief Lauren Abinanti with the assistance of OCTF Legal Analyst Christine Cintron. Nicole Keary is the Deputy Attorney General in Charge of OCTF. The Criminal Justice Division is led by Chief Deputy Attorney General José Maldonado. Both the Investigations Division and the Division for Criminal Justice are overseen by First Deputy Attorney General Jennifer Levy.