NYC
Business Integrity
Commission

FINAL CONCLUSION OF THE INVESTIGATION OF FRANK COPPOLA BY THE BUSINESS INTEGRITY COMMISSION

I. PRELIMINARY STATEMENT

On or about December 11, 2012, the Commission received an employee disclosure form from Mr. T Carting Corp. indicating that it sought to employ Frank Coppola as a sales representative. The Commission staff subsequently conducted a background investigation of Coppola.

As set forth more fully below, the Commission has concluded that Coppola lacks good character, honesty, and integrity, and that his employment as a sales representative in the trade waste industry would have a result inimical to the purposes of Local Law 42 for the following independently sufficient reasons:

A. Coppola failed to provide truthful information in connection with the commission's investigation of Coppola's employment disclosure form;

B. Coppola associated with persons identified by law enforcement as members and associates of organized crime groups when Mr. Coppola knew or should have known of the organized crime associations of such persons;

C. Coppola's felony conviction on federal drug trafficking charges demonstrates that he lacks good character, honesty, and integrity;

D. Coppola has acted improperly and dishonestly over the course of his employment history with various employers in a manner that evidences a lack of good character, honesty, and integrity;

E. Coppola has failed to pay a tax, fine, penalty, or fee related to his business for which judgment has been entered by a court or administrative tribunal of competent jurisdiction.

II. BACKGROUND AND STATUTORY FRAMEWORK

Every commercial establishment in New York City must contract with a private carting company to remove and dispose of the waste it generates. Historically, the private carting industry in the City was operated as a cartel controlled by organized crime. As evidenced by numerous criminal prosecutions, the industry was plagued by pervasive racketeering, anticompetitive practices and other corruption. *See e.g., United States v. International Brotherhood of Teamsters (Adelstein),* 998 F.2d 120 (2d

Cir. 1993); *People v. Ass'n of Trade Waste Removers of Greater New York Inc. et al.,* Indictment No. 5614/95 (Sup. Ct. N.Y. Cty.); *United States v. Mario Gigante et al.,* 96-cr.-466 (SDNY); *People v. GNYTW,* 701N.Y.S.2d 12 (1st Dep't. 1999).

The Commission is charged with, *inter alia,* combating the pervasive influence of organized crime and preventing its return to the City's private carting industry. Instrumental to this core mission is the licensing scheme set forth in Local Law 42 of 1996, which created the Commission and granted it the power and duty to license and regulate the trade waste removal industry in New York City. *See* Admin. Code §16-505(a). It is this licensing scheme that continues to be the primary means of ensuring that an industry historically plagued with corruption remains free from organized crime and other criminality, and that commercial businesses that use private carters can be ensured of a fair, competitive market. The licensing scheme is not limited to a mere decision as to whether an applicant has ties to organized crime, since Local Law 42 of 1996 grants the Commission broader discretion to make a determination as to the "good character, honesty and integrity" of applicants. *See Canal Carting, Inc. v. City of New York Business Integrity Commission,* 66 A.D.3d 609, 888 N.Y.S.2d 30 (1st Dep't. 2009).

Pursuant to Local Law 42, each person "who is employed or proposed to be employed by a licensee in a managerial capacity, or in a job category specified in rules promulgated by the commission" is required to submit to the Commission: fingerprints for purposes of obtaining the criminal history records of such person; and the information required for the Commission to conduct a background investigation of such person. *See* Admin Code§ 16-510(a)(i). The Commission's rules set forth the categories of employees who are subject to such fingerprinting and background investigation: solicitation of businesses; bill collection; evaluation of the trade waste stream of customers; dispatchers who have regular contacts with customers; persons who have authority to agree or refuse to service customers; and persons who have authority to resolve complaints. 17 RCNY 1, Subchapter C, Appendix A. Further, "[a] licensee shall not employ or engage as an agent any person with respect to whom the commission has made a final determination, following a background investigation conducted pursuant to this section, that such person lacks good character, honesty and integrity." Admin. Code § 16-510(d). The Administrative Code provides an illustrative list of relevant factors for the Commission to consider in making a licensing or registration decision relative to the good character, honesty and integrity of a trade waste business applicant. Those factors are also relevant *a fortiori* to Commission determinations as to prospective employees/agents under Admin. Code § 16-510 and 16-508(b), and include, but are not limited to the following: failure to provide truthful information in connection with an application or investigation; conviction for a crime which, considering the factors set forth in section seven hundred fifty-three of the correction law, would provide a basis under such law to deny an application; association with any member or associate of an organized crime group as identified by a federal, state or city law enforcement or investigative agency when the applicant knew or should have known of the organized crime associations of such person; and failure to pay any tax, fine, penalty, fee related to the business for which liability has been

admitted by the person liable therefor, or for which judgment has been entered by a court or administrative tribunal of competent jurisdiction. *See* Admin. Code § 16-509(a)(i), (iii), (vi) and (x). Additionally, the Commission may deny a license or registration to an applicant who "has knowingly failed to provide the information and/or documentation required by the Commission." *See* Admin. Code §16-509(b).

III. FACTS

A. Procedural Background

On December 11, 2012, Mr. T Carting Corp. ("Mr. T Carting" or "Mr. T") filed an Employee/Agent Disclosure Form stating that it wished to employ Frank Coppola as a sales representative. The information provided in the form was certified by Coppola to be "full, complete, and truthful." Disclosure Form at 19.

In accordance with Admin. Code §16-510(a)(ii), the Commission notified Mr. T Carting by letter dated December 19, 2012, that the hiring of Mr. Coppola could have a result inimical to the purposes of Local Law 42 and that Coppola could therefore not work for Mr. T Carting until BIC completed its investigation of his background. As part of that investigation, BIC interviewed Coppola under oath on January 18, 2013. *See* Transcript of Coppola interview, dated January 18, 2013 ("1/18/13 Dep.").[1]

On June 4, 2013, BIC staff served Mr. T Carting and Frank Coppola with a "NOTICE TO THE PROSPECTIVE EMPLOYEE OF THE CONCLUSION OF THE OFFICIAL DESIGNATED BY THE N.Y.C. BUSINESS INTEGRITY COMMISSION TO REVIEW THE FINDINGS OF THE BACKGROUND INVESTIGATION CONDUCTED PURSUANT TO N.Y.C. ADMINISTRATIVE CODE § 16-510 THAT FRANK COPPOLA LACKS THE REQUISITE GOOD CHARACTER, HONESTY AND INTEGRITY TO SOLICIT BUSINESSES ON BEHALF OF MR. T CARTING CORP. (#173)" (the "Initial Notice"). The Initial Notice included a full discussion of the basis of the conclusion, and further notified Mr. T Carting and Coppola that they could respond to the Initial Notice in writing or in person. *Id.* In addition, BIC staff provided Coppola's counsel, Mr. Adam H. Russ, with all documents relied upon in the Initial Notice.

On or about July 2, 2013, Coppola, by his counsel, submitted his response to BIC, comprised of a memorandum of law, an affidavit by Mr. Coppola appended as Exhibit A), and 10 additional Exhibits, B through K ("Coppola's Response").

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[1] By Notice of Petition and Verified Petition dated April 24, 2013, Mr. T Carting and Coppola commenced an Article 78 proceeding in New York State Supreme Court, seeking an order compelling the Commission to issue a determination on the Employee/Agent Disclosure Form for a Trade Waste Business for Frank Coppola. *See Mr. T Carting Corporation v. Shari C. Hyman*, Index No. 100696/13, County of New York. On or about May 29, 2013, the Commission served its Cross-Motion to Dismiss the Petition. In or about February 2014, the parties executed a Stipulation of Discontinuance and Withdrawal, which was so-ordered by the Court on or about February 26, 2014.

Subsequent to the submission of Coppola's Response, BIC became aware of additional evidence bearing on the question of Coppola's fitness. This information required additional investigation including further questioning of Coppola under oath on September 19, 2013. *See* Transcript of Coppola interview, dated September 19, 2013 ("9/19/13 Dep.").

After further investigation, on or about December 2, 2013, BIC served Coppola with a Revised Notice of its initial finding. ("Revised Notice"). Once again, Coppola and Mr. T Carting were afforded the opportunity to respond to the Revised Notice. Counsel for Coppola requested, and was granted, an extension of time until January 28, 2014, to respond to the Revised Notice. No response was submitted. Rather, on or about January 28, 2014, BIC received a letter from Mr. T Carting advising BIC that "Frank Coppola is no longer an employee of Mr. T Carting Corp." and that they "wish to withdraw his application."

By letter dated February 14, 2014, the BIC denied Mr. T Carting's request. BIC further advised Mr. T and counsel for Coppola that the time to submit a response to the Revised Notice was, as a courtesy, extended until March 3, 2014. By letter dated February 28, 2014, counsel for Coppola argued that BIC had no discretion to refuse to accept Mr. T's request to withdraw the application.[2] After carefully considering the Applicant's position and reasoning, as well as the applicable law and precedent, it was determined that BIC would be acting legally and properly in proposing a finding regarding Mr. Coppola, and that the interest of the public, this agency and the industry it regulates would be better served by doing so. Accordingly, BIC's February 14, 2014 determination was not altered. Coppola was provided a final opportunity to respond on October 27, 2014, when he was served with a Notice of Final Conclusion via email and first class mail. Copies of the Notice were also sent via email to Coppola's attorney and to Mr. T Carting Corp. BIC did not receive any response or any further submissions by Coppola, Mr. T, or counsel.

B. Coppola's Pre-Conviction Waterfront Commission Suspension and False Statement to the Commission Regarding the Suspension.

Coppola has had prior experience working in a heavily regulated industry in which pre-employment screening and approval by a licensing authority are required. In circumstances similar to those at issue here, Coppola engaged in deceptive behavior with regulators while working on the waterfront.

In 1985, Coppola was employed as a dock worker at Continental Terminals in the Red Hook section of Brooklyn which was (and is) under the jurisdiction of the Waterfront Commission of New York Harbor ("Waterfront Commission").[3] *See* 1/18/13 Dep. at 11-12; Disclosure Form at 4. Coppola was a member of Local

[2] In his letter, counsel for Coppola also asserted his view (which had been previously asserted) that the Commission in fact lacked the authority to re-open its investigation after the service of the Initial Notice.

[3] A bi-state agency, the Waterfront Commission was founded in 1953 by act of Congress, largely to combat the influence of organized crime on the New York and New Jersey waterfronts.

1814 of the International Longshoremen's Association ("ILA"). *Id.* Coppola testified (but did not disclose on his employee disclosure form) that after working at Continental Terminals, he was employed as a dock worker for Revere Sugar for a "couple years," though he could not specify the exact dates that he worked for Revere. *See* 1/18/13 Dep. at 21-22. Then in 1992, Coppola worked for American Warehousing of NY, Inc. ("American Warehousing") on Pier 5 in Brooklyn. *Id.* All of these jobs required registration with and approval from the Waterfront Commission.

On or about March 8, 1993, while still registered with the Waterfront Commission, Coppola was arrested and charged with burglary, grand larceny and unlawful eviction. *See* Transcript of Investigative Interview, Waterfront Commission, dated June 25, 1993, at 12. Waterfront Commission regulations require its registrants to notify the Commission within 20 days in the event the registrant is arrested. *See* 21 NYCRR § 1.11. Although the criminal charges were ultimately dismissed, Coppola failed to notify the Waterfront Commission of this arrest. Nor did Coppola inform the Waterfront Commission of his arrest on September 26, 1990 in Marlboro Township, N.J. in a separate incident. *Id.* at 37-38. The Waterfront Commission commenced disciplinary proceedings against Coppola, and he admitted the offense and accepted a suspension in lieu of a formal hearing. By order dated September 21, 1993, the Waterfront Commission suspended Coppola's registration as a warehouseman for five days. *See* Waterfront Commission Notice of Hearing; Order of the Waterfront Commission, Case RL-4632-S, dated September 21, 1993. It is evident that Coppola failed to provide truthful information to the Waterfront Commission at the time by not disclosing his arrest.

Of even greater concern is Coppola's misstatement to BIC regarding these disciplinary proceedings. When asked at his recent sworn interview before the Commission, Coppola specifically denied that he had ever been suspended by the Waterfront Commission. *See* 9/19/13 Dep. at 43. When confronted with the Waterfront Commission's Suspension Order, Coppola testified that he could not remember any details about the incident giving rise to his suspension or the suspension itself. See 9/19/13 Dep. at 44-46. As set forth below, this is just the first of many such categorical denials followed by self-serving memory lapses.

C. Coppola's Federal Criminal Drug Trafficking Conspiracy Conviction; Coppola's False Statements to the Commission Concerning His Role in the Conspiracy.

In 1995, a federal grand jury in Brooklyn indicted Coppola on charges of conspiring with others, some connected to organized crime, to import and sell cocaine between June 1992 and August 9, 1995. *See United States v. Frank Coppolla,*[4] 94-cr-1240 (EDNY), Superceding Indictment August 17, 1995.[5] In 1996, a jury convicted

[4] Coppola's last name was spelled in this manner in the documents filed in this federal criminal case. In the disclosure form at issue Coppola spells his last name "C-0-P-P-0-L-A."

[5] Coppola was charged with Conspiring to Import and Possess with Intent to Distribute Cocaine *(see* 21 U.S.C. §§846, 841 (b)(1)(A)(ii)(II), 963 and 960(b)(l)(B)(ii)), Importing Cocaine into the

Coppola of conspiring to import and distribute cocaine and he was later sentenced to 60 months in prison. *See* Judgment, November 22, 1996. These offenses constitute "racketeering activity" as that term is defined under the federal Racketeer Influenced and Corrupt Organizations statute ("RICO"). *See* 18 U.S.C. § 1961(1)(D).[6] The Applicant was released from prison on July 7, 2000, and began 5 years of supervised release which was scheduled to expire on July 6, 2005. *See* Letter, dated October 18, 2002, from Kenneth W. Manuel, U.S. Probation Officer, to New York State Insurance Department. Coppola was granted early termination of supervised release on or about October 3, 2003. *See* letter, dated October 3, 2003, from Kenneth W. Manuel, U.S. Probation Officer, to Coppola.

Briefly, the facts of the case are as follows: Cocaine was hidden in containers on ships in Colombia bound for the United States where Coppola and others removed it upon the ships' arrival in Brooklyn or New Jersey. Some nine or ten loads were delivered over the course of the conspiracy. *See* Brief for the United States, *United States v. Frank Coppola et al.,* 2d Cir., No. 96-1514, dated February 20, 1997 (1997 WL 33773615) ("Government's Brief") at *3. The conspiracy was intricate and involved many participants. Longshoremen were recruited to locate the designated shipping container and make it accessible to "runners" who would remove the cocaine from the shipping containers and take it off the piers. Unindicted co-conspirator Dino Basciano, an organized crime associate affiliated with the Gambino and Lucchese crime families, and others recruited the runners. *See* Government's Brief at *6. The procedure for all the loads was similar. When they were ready to bring in a cocaine shipment, a co-conspirator would provide the name of the shipping line or the name of a ship bound for New Jersey or Brooklyn and its departure and arrival dates to a second co-conspirator, who would arrange to have the cocaine hidden inside a shipping container on that ship. The second co-conspirator would then provide the shipping container number, the location of the duffel bags containing the cocaine inside the shipping container, and a duplicate seal for that shipping container to replace the original seal, which was removed to retrieve the cocaine, so the receiver of the container, or the authorities, would not know it had been opened. *Id.* at *6-*7.

At his sworn interview before the Commission, Coppola did not deny his 1995 indictment and subsequent conviction, though he sought to minimize his involvement and denied any further role in distributing the cocaine he helped smuggle into the country. *See* 1/18/13 Dep. at 12; 31. Coppola claimed that he was hired to be a mere "runner" by Dino Basciano, whom he said he knew only as a "childhood friend." *See* 1/18/13 Dep. at 38; 52-53. Coppola claimed that his involvement was, on a single day in 1995, merely to take a bag that had been removed from a shipping container

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United States *(see* 21 U.S.C. §§952(a), 960(a)(1) and 960(b)(1)(B)(ii)), and Distributing and Possessing with Intent to Distribute Cocaine *(see* 21U.S.C. §§841(a)(1) and 841(b)(1)(A)(ii)(II)). *See* Superceding Indictment.

[6] The applicable portion of the statute includes the following within the definition of the term "racketeering activity": "any offense involving ... the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in a controlled substance or listed chemical (as defined in section 102 of the Controlled Substances Act), punishable under any law of the United States."

from a pier in Newark, New Jersey, carry it about two hundred feet to a car that Basciano was driving, and place it in the trunk. *Id. at 38-44; 49.* Coppola testified that he did not know what was in the bag, that Basciano had not told him what was in the bag, and that he did not ask Basciano what the bag contained. *Id.* at 39-41 and 44. He admitted that he was paid $10,000.00 to carry the bag, and admitted that at the time, he knew that the bag contained something illegal. *Id. at* 45. Coppola summed up his role in the conspiracy this way: "selling it [the cocaine], . . . -- I wasn't part of any of that. I got convicted of 2 minutes of carrying a bag." *Id.* at 51. Asked if he was convicted solely of "unwittingly" transporting a bag containing cocaine, Coppola said "yes." *Id.* at 50.

Coppola had previously presented this version of events at his sentencing, where the court, after considering the evidence, specifically rejected it. The government argued that Coppola played more than a minimal role in the drug trafficking conspiracy, citing the testimony of Dino Basciano who "said he discussed with the others additional loads [of cocaine] that he wanted Coppola to participate in." *See* Transcript of Criminal Cause for Sentencing, *United States v. Frank Coppola,* 94-cr-1240 (EDNY), November 22, 1996 ("Sentencing Transcript") at 63-64. The government argued that Basciano "wouldn't be having these conversations with his partners unless Coppola was a ready, willing participant in . . . future loads." *Id.*. The government also cited other reasons why Coppola was more culpable than some others involved in the conspiracy:

> There are people that are less culpable in this conspiracy. He [Coppola] is not one of the less culpable participants, and the evidence at trial makes that very clear. There were a number of others who participated in one load, who did not have conversations prior to the load about the scope of the enterprise or the conspiracy, who did not then go and sell the cocaine. And yes, Your Honor did give them a four level departure for minimal role, and I think that those individuals -- there have been at least two of them thus far, Your Honor, and both of them clearly were less culpable than Frank Coppola. He did much more than either one of those two did. And I think even at those sentencings, Your Honor, we conceded that it was a close issue.

Id. at 64-65.

The Court found that Coppola was more than a mere "runner," that he knew what was in the bag he gave to Dino Basciano, and that he was given half a kilogram of cocaine which he sold: "[W]hat did happen is that a half a kilogram of cocaine was given to him [Coppola] from a shipment, apparently now from the shipment that he himself helped bring into the country . . . that he then went on to

distribute. Now, that is not a mere courier. I mean, I don't know how you slice that." Sentencing Transcript at 52. The court continued:

> I can't ignore the testimony that Dino [Basciano] explained to him what was going on, that he was aware. You know, maybe if he were just some local fellow at the club, and come on, I need you today - but that wasn't the story here. That wasn't the story. When he agreed to get involved, he agreed to get involved aware of the extent of this conspiracy. I don't think that's decisive, but that, coupled with this evidence concerning the actual distribution of, albeit, a small portion, but large enough, in my view, I think, to be loyal to the facts, to make minimal role adjustment . . .

See Sentencing Transcript at 53.

The Court concluded that it was "impossible" to describe Coppola as having a minimal role in the cocaine trafficking conspiracy:

> I find it difficult -- indeed, impossible, at this point -- to describe Mr. Coppola as a minimal player, for the reasons I've stated. But to a certain extent, is it not fair to say given the fact that we're dealing with a large shipment be it 30, 40, 50 kilograms of cocaine that to some extent this sort of inept 500 gram distribution is sort of a tail that wags the dog here? By that I mean this: it sets him apart. Not only that, but the testimony concerning discussions with Mr. Coppola about the nature of the conspiracy and suggestions that Mr. Coppola -- it sets him apart, and I can't change it. I credited the testimony. I thought it was credible at the time. Re-reading it now I have no change of heart.

Id. at 67-68.

Having violated the law, Coppola denied key aspects of his conduct, choosing instead to repeat under oath before the Commission the same discredited version of events that the sentencing Court explicitly rejected as inconsistent with the evidence.

D. Coppola's Association with Members of Organized Crime Before and During the Drug Trafficking Conspiracy.

Several of Coppola's co-defendants and co-conspirators were organized crime associates. For example, unindicted co-conspirator Joseph Iborti was a Gambino associate who became a cooperating witness. *See United States v. Francis Guerra,* 10-

cr-0147 (EDNY), Government's Sentencing Letter, dated April 26, 2013 at 19-20. Similarly, unindicted co-conspirator Dino Basciano was an organized crime associate who also became a cooperating witness. *Id.* at 20 ("Dino Basciano was a long-time organized crime associate who was associated with the Gambino and Lucchese crime families."). In addition, co-defendant Matteo Ruggiero was, like Coppola, a member of Local 1814 of the International Longshoremen's Association who worked on the waterfront in Brooklyn. 1/18/13 Dep. at 56-58. He was also an associate of the Gambino crime family. *See Ruggiero v. United States*, 2008 WL 4274364, at *1 (E.D.N.Y. 2008); *see also* "36 Accused of Committing Violent Crimes in Quest to Join Mafia", *New York Times,* November 17, 1994.

Basciano and Coppola were close friends for the prior 15-20 years. *See* Sentencing Transcript at 65-66 and 78. During those years, Basciano, according to Coppola's own lawyer "lived his life by murdering, robbing, highjacking." *Id.* at 79.[7]

It is not surprising then, given Coppola's longstanding and close association with Basciano and his willingness to participate with him in drug trafficking, that Basciano was able to provide evidence that he and Coppola had committed other crimes as well. Basciano testified that Coppola provided the tip for a payroll robbery that Basciano committed with co-conspirator Scott Konop.[8] *See* Government's Brief at *21. Basciano's testimony was later corroborated by another cooperating witness, Joseph Iborti, a former Gambino associate. *Id.* at *22; *see also* Sentencing Transcript at 78.

Coppola's presentence report contained a description of another criminal conspiracy between Coppola and Basciano: an agreement to murder Coppola's business partner in a bagel store venture. *See* Sentencing Transcript at 77-78. The Government summarized Basciano's account: "The information we have is that Mr. Coppola offered him [i.e., Basciano] ten to $20,000 to kill his partner. Basciano then attempted and endeavored -- and it's all set forth in the presentence report. He then endeavored to locate this individual. After several attempts, when he was not able to do so, he ceased his efforts. I don't know if, actually, at that point the plan was called of (sic), but I know that after several tries, Basciano made no further efforts." *See* Sentencing Transcript at 78. The government described Coppola as leading a "double life" – on the one hand a family man, on the other a man who conspired to commit murder, robbery and money laundering. *Id.* at 76. Indeed, Judge Dearie described Coppola as "a fellow who lived this sort of life of the street, ready at a moment's notice to engage in sort of fast buck enterprises, some of which were on the right side of the law, and some which arguably-- and in some instances, clearly-were not." *Id.* at 83.

Coppola denies participating in the robbery (1/18/13 Dep. at 54) and entering into such a conspiracy *(see* Coppola Affidavit 6/26/2013 at 6, 22), but did testify that he owned a business called Gourmet Bagels from approximately 1989 to 1991 with a

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[7] One of Basciano's crimes was the retaliatory shooting of Patricia Capozzalo, the sister of cooperating witness Peter Chiodo, a former capo in the Lucchese crime family. *United States v. Spinelli,* 551 F.3d 159, 163 (2d Cir. 2008).

[8] Federal law enforcement identified Konop as an organized crime associate of the Lucchese and Gambino crime families. *See* Government's Brief at *20.

partner named Michael Amore with whom he acknowledged having a dispute. *See* 1/18/13 Dep. at 87. When asked why he sold the business, Coppola testified: "Dispute between the two partners. Partners are hard." *Id.* at 87-88.[9]

Another co-defendant in the cocaine trafficking conspiracy was Gambino associate Matteo Ruggiero. *See* Application XXIII of the Independent Review Board, Opinion and Decision of the Independent Review Board in the Matter of the Hearing on Charges against Michael Porta, Jr., Defendant., *United States v. International Brotherhood of Teamsters,* 88 Civ. 4486 (SDNY), dated September 29, 1995 ("IRB Decision") at 9. Ruggiero's status as an associate in the Gambino organized crime family was confirmed by Gambino organized crime family underboss Salvatore Gravano. *See* IRB Decision at 14 (fn.14). A September 30, 1993, Waterfront Commission surveillance report states that co-defendant Matteo Ruggiero was observed meeting at a notorious social club then operating at 461 Court Street in Brooklyn with various members of organized crime. *See Ruggiero v. United States,* 2008 WL 4274364, at *1 (EDNY 2008). The Court Street club was the base of operations for waterfront boss and Gambino capo Anthony Ciccone. Ruggiero testified at a union disciplinary proceeding that he saw Ciccone at that social club usually every day and Gambino crime family boss John Gotti approximately six or seven times. *See IRB* Decision at 9-10. Coppola himself had been at the club on at least several occasions.[10] *See* 1/18/13 Dep. at 58-61. *See IRB Decision* at 9. According to the FBI, "Ciccone met members of his crew at the club, as well as members of other L[a] C[osa] N[ostra] Families, for the purpose of conducting labor racketeering, gambling, loansharking, and other illegal activities." *See* IRB Decision at 9; 2 (fn. 4).[11] Ruggiero was also charged in 1994 with various violent crimes linked to four of the five Mafia crime families in the New York area. *See* "36 Accused of Committing Violent Crimes in Quest to Join Mafia", *New York Times,* November 17, 1994. Coppola admitted knowing Ruggiero, his co-conspirator and fellow longshoreman, "from the neighborhood" of Carroll Gardens, Brooklyn prior to his arrest. See 1/18/13 Dep. at 57.

E. Coppola's Post-Incarceration Association with a Criminal Co-Conspirator; Coppola's Multiple False Statements to the Commission Concerning His Post- Incarceration Association with a Criminal Co-Conspirator.

After his release from prison in July 2000, Coppola continued to associate with some of his former co-defendants, and testified falsely and misleadingly about those associations. Coppola flatly denied the existence of any such contacts. *See* 9/19/13 Dep. at 17-19. This testimony, as Coppola was later compelled to admit, was false.

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[9] A witness who testifies or provides information pursuant to a cooperation agreement with the government risks a great deal if the information he provides is found to be false. Although Coppola denies Basciano's allegations, he confirms the existence of a bagel store business partner with whom he had a dispute.

[10] As usual, Coppola sought to minimize the significance of such visits. Although he did admit that he saw Ruggiero at the club when he was there. *See* 1/18/13 Dep. at 58-61.

[11] Some of the details of Ciccone's later racketeering conviction are set forth more fully *infra*. at 13

Coppola testified that, upon release from prison in July 2000, he entered a halfway house in Newark and began working for American Warehousing in Red Hook, the same company he worked for immediately before beginning his prison term, and at which he worked while engaged in a criminal conspiracy. *Id.* at 64. Coppola testified that his new job differed from his old one in that he was '[m]ore of a supervisor," and that he "brought about thirty half-house (sic) workers to the warehouse that needed jobs or they would have been sent back to prison." *Id.* at 68. Coppola claimed that he managed these halfway house employees who fixed pallets and cleaned the warehouse. *Id.* at 69-70. Coppola testified that he was no longer a member of the ILA, and that his Waterfront Commission registration had terminated. *Id.* at 73. He also testified that he did not think that he needed a Waterfront Commission registration for his job at American Warehousing, and that he would not get one if he applied because of his drug conspiracy conviction. *Id.* at 73-75.[12] Coppola testified that the halfway-house workers that he supervised at American Warehousing did not have registrations from the Waterfront Commission and that he was unaware whether the ILA was upset about the non-union status of these employees. *Id.* at 91-92.

Coppola also testified unequivocally that "[n]one of my co-conspirators worked at American Warehousing." *Id.* at 83. Despite that initial denial, Coppola ultimately admitted that his co-conspirator, Michael Emmett, did in fact work at American Warehousing. Coppola then insisted that Emmett was not one of the halfway house workers and that he, Coppola, did not supervise him. *Id.* However, when shown a Waterfront Commission police report about an injury to Emmett, which identified him as a halfway house resident, Coppola was compelled to drop that part of his story as well:

> Q. Were you supervising him [Michael Emmett]?
> A. He was one of the guys, yes.
> Q. What were you directing him to do?
> A. Fixing pallets and bailing burlap bags.

Id. at 87; *see also* Waterfront Commission Division of Police Incident/Investigation Report, dated February 27, 2001.[13]

Ultimately, Coppola conceded that he also met with Emmett "a few years ago" at the New Jersey real estate office where Coppola was employed when Emmett sought to purchase a home, and that he sold a motor vehicle to Emmett when he worked as salesman for Freehold Hyundai.[14] *See* 9/19/13 Dep. at 128 and 130. Coppola admitted further that he spoke to Emmett within the past year, that Emmett has referred real estate clients to him on occasion, and that Emmett's phone number, along with Emmett's wife's, were stored in his cell phone. *Id.* at 131-133. In addition, as set forth more fully

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[12] This testimony seems to conflict with his January 18, 2013 testimony that "I did need a Waterfront pass to work" at American Warehousing. *See* 1/18/13 Dep. at 73.

[13] Coppola's admission that he supervised Emmett on the docks also conflicts with his prior testimony that Michael Emmett "wasn't a dock worker. He had a body shop. I don't really know what he did." *See* 1/18/13 Dep. at 66. *Cf.* 9/19/2013 Dep. at 134 (Emmett "worked on the docks.").

[14] According to Coppola's disclosure form, he worked as a car salesman in Freehold, New Jersey from June 2004 to April 2011. *See* Disclosure Form at 4.

below, Coppola also sought to use Emmett to make contact with a soldier in the Gambino crime family in a futile effort to get him to intercede on his behalf after he was fired by American Warehousing (*see infra.* at 17).

Once again, Coppola initially testified falsely before the Commission, and only after he was presented with conflicting evidence did he retract his initial self-serving denial and admit that his contact with co-conspirator Emmett has continued long after his release from prison.

F. Coppola's Post-Incarceration Association with Members or Associates of Organized Crime; Coppola's False Statements to the Commission Concerning His Post- Incarceration Association with Members or Associates of Organized Crime.

At his September 2013 sworn interview, Coppola falsely testified that he has had no interaction with any members or associates of organized crime or anyone that had been convicted of racketeering since his release from prison. *See* 9/19/13 Dep. at 19-22. However, the Commission's investigation has found that Coppola continued to associate with members and associates of organized crime following his release from prison.

Coppola testified that he left his job at American Warehousing in the summer of 2001 because he "had an offer to work in the insurance business" and that he left of his own accord.[15] *Id.* at 101. Upon further questioning, however, Coppola admitted that he had been fired, although he claimed to have no knowledge of the reason or reasons why. *Id.* at 102-105.[16] Coppola's denial is almost certainly false and, more importantly, masks his attempts to avoid termination by trying to contact and appeal to Primo Cassarino, a Gambino soldier who had great influence on the Brooklyn docks at the time.

Primo Cassarino ("Cassarino") has been identified by federal law enforcement as a soldier in the Gambino Organized Crime Family in the crew of capo Anthony Ciccone. *See US. v. Coppola,* 671 F.3d 220, 227 (2d Cir. 2012); *US. v. Gotti,* 459 F.3d 296, 301 (2d Cir. 2006). In 2002, Cassarino was indicted along with 17 other Gambino members and associates in a 68-count racketeering indictment in the Eastern District of New York. The indictment targeted the corrupt influence of the Gambino

[15] This date is significantly at odds with the information that Coppola provided in his May 2011 and December 2012 certified disclosure forms. There he reported that his post-incarceration employment with American Warehousing was from January 2000 to May 2004, *i.e.*, a 3-year discrepancy. *See* Disclosure Forms at 4. He repeated this falsehood in his January 2013 testimony. *See* Coppola Dep. 01/18/2013 at 74.

[16] This account of his employment history is completely at odds with that provided in the two disclosure forms Coppola filed with the Commission in which he asserted that his reason for leaving American Warehousing was "company closed." *See* Disclosure Forms at 4. That Coppola was fired from American Warehousing also contradicts his initial testimony that the only employer that ever terminated him was Metropolitan Paper Recycling, Inc. *See* Coppola Dep. 1/18/2013 at 21.

crime family over labor unions, businesses, and individuals on the piers in Brooklyn and Staten Island. The defendants included: Peter Gotti, then the acting boss of the Gambino family; Anthony "Sonny" Ciccone, a captain; Cassarino, a soldier; and Frank "Red" Scollo, a Gambino associate and former president of ILA Local 1814 in Brooklyn. *See US. v. Gotti,* 459 F.3d 296, 301 (2d Cir. 2006). The indictment alleged that the Gambino crime family "exercised control over the affairs of the union, both by using force to determine 'who filled various International Executive Officer and other ILA positions' in order to 'ensure that organized crime associates would be placed in these positions,' and then by directing the activities of those office-holders. These activities resulted in being charged with counts of both extortion and fraud." *Id.* at 302. During the trial, Scollo testified that he had to seek Ciccone's permission before taking any significant action on behalf of Local 1814. *Id.* at 332. The government also introduced wiretap evidence of the reports that Scollo made to Ciccone through Cassarino as an intermediary. *Id.* at 303. The trial testimony also included evidence that Ciccone schemed with Cassarino, Scollo and others to extort property from individuals. *See, e.g., id.* at 338. Ultimately, Ciccone was convicted of multiple counts of racketeering, conspiracy to extort, wire fraud, money laundering, conducting an illegal gambling business and witness tampering. *See United States v. Anthony Ciccone*, 02-cr-0606 (EDNY), Judgment, dated February 7, 2008.

Cassarino was convicted of multiple counts of racketeering, conspiracy to extort, wire fraud, money laundering, conducting an illegal gambling business, witness tampering and loansharking. *See United States v. Primo Cassarino*, 02-cr-0606 (EDNY), Judgment, dated August 29, 2007. Scollo pleaded guilty to one count of racketeering. *See United States v. Frank Scollo*, 02-cr-0606 (EDNY), Judgment, dated April 6, 2005. Both Cassarino and Scollo ultimately became cooperating witnesses for the government.

An exhibit received as evidence in the trial of another Gambino soldier, Anthony Anastasio (*United States v. Anastasio,* 06-Cr-0815 (S-6) (EDNY)) was a transcript of a June 12, 2001 conversation between Scollo (identified as "FS") and Cassarino (identified as "PC") concerning (in part) Frank Coppola.[17] In that conversation, Scollo informs Cassarino that Coppola came to see him (Scollo) at his office, and that Coppola was trying to contact Cassarino because American Warehousing fired him. The relevant portions of the transcript read as follows:

> Cassarino (PC): No . . . (UI) . . . then you don't have to be there. It's not important. (pause) You hear anything about this kid Frankie Coppola (phonetic) or anything?
> Scollo (FS): He was here . . . I went to (VO)

[17] The transcript was covered by a letter from Assistant United States Attorney Daniel Silver, dated August 27, 2013, which identifies the transcript as evidence in this trial. The conversation was intercepted by an agent of the Waterfront Commission and transcribed by an agent of the Federal Bureau of Investigation ("FBI"). The transcript uses the following abbreviations: (VO) – Voiceover; (UI)-Unintelligible; and s/1-sounds like

PC: 'Cause I gotta fuckin' message . . . that fuckin' uhh . . . that he's tryin' to get in touch with me . . . I told him to go fuck himself. I don't like that prick.
FS: Well, anyway. He was at my office last night. He says they fired him. He's reaching out for you.
PC: Yeah. Fuck him. I don't like him.
FS: We . . . (VO)
PC: I don't wanna talk to him anyway.
FS: We . . . we're not interested?
PC: What?
FS: 'Cause he used to work there . . . and Sal (UI) likes him.
PC: He got fired?
FS: Yeah.
PC: Why?
FS: 'Cause I says that they were doin' the work that belonged to us. As long as he stood where he was . . . there was no problem . . . June 14th, Thursday . . . 1:45.
PC: Oh all right . . . you know (VO)
FS: (UI)
PC: are you crazy? Forget about that . . . are you kiddin'?
FS: Now wait a minute . . . (s/l) Salma is tomorrow at 4 o'clock. This is the guy we got through the (UI) . . .
PC: Yeah . . . Jesus Christ . . . How's she doing?
(Cassarino and Scollo discuss Scollo's wife's medical problems for approximately 20 meter clicks)
FS: . . . anyway . . . Coppola went to see me yesterday.
PC: Yeah.
FS: . . . and here's what happened . . . There's five guys . . . I didn't know until he told me last night . . . had come outta jail . . . Frank. He was the foreman . . . Coppola . . . and I understand he did a good job . . . but . . . he laid off the guys that worked there . . . our guys . . . and he kept them. So now they're like a sore thumb. I sent word down through Joey . . . "Joey, what do we do? . . . We're gonna all get in trouble . . . oh shit . . . I didn't (UI)" they fired Coppola 'cause he was getting 25 dollars an hour. They kept the other guy for (s/l) seven dollars . . . but . . . [18]

Scollo-Cassarino Recording Transcript, June 12, 2001, at 2-4.

[18] Scollo and Cassarino stop talking about Coppola at this point as they realize that they are being observed by a Waterfront Commission detective. They terminate the conversation to deprive the detective of the opportunity to photograph them together. *See* Transcript for full excerpt.

Contrary to his initial sworn testimony before the Commission, there is no question that Coppola is (and was, at the time) aware that he had been fired. Nor is there any question, contrary to Coppola's claim under oath, that Coppola in fact wanted to continue working at American Warehousing. Aside from explicitly demonstrating that Coppola provided false testimony to the Commission, this exchange makes clear that Coppola had no qualms about trying to talk to gangsters as a means of preserving his position on the waterfront. This evidence demonstrates that Coppola understands where he believes real power lies on the docks and that he does not hesitate to invoke it in his interest.

Coppola was shown a transcript of this recorded exchange, and questioned whether he sought the assistance of members and associates of organized crime to get his job back. In his responses, Coppola used the phrases "I don't remember", " I don't know", and "I don't recall" (or very slightly varied responses) at least 38 times. *See* 9/19/13 Dep. at 112-123. Coppola first denied seeing Scollo in order to get his job back. *Id.* at 107. Later, he conceded having "reach[ed] out" to Scollo *(id.* at 117) and suggested that he did so because Scollo was a union delegate:

> Q. What is your understanding as to why you reached out to Mr. Scollo?
> A. Well, he was a union delegate and maybe I was unhappy when I got fired but I just don't remember. I don't know.
> Q. Well, you took a personal meeting with him?
> A. I took a personal meeting -- well, he was a union delegate and I was allowed to go to the union to see guys. They did represent us as workers.

Id. at 112-113. Coppola's self-serving explanation is not plausible. When it better served him, Coppola testified that he was not a member of the union. 9/19/13 Dep. at 73. Indeed, the apparent basis of Coppola's termination was a complaint by the union that non-unionized workers (i.e., Coppola's jailhouse friends who were in his "halfway house" program) were not working in compliance with the collective bargaining agreement. Coppola's explanation doesn't account for the fact that he was asking not to resolve his issues with the union, but to contact the real power on the waterfront at the time – Gambino soldier Primo Cassarino.

Asked why he would be reaching out to Cassarino, who he knew to be a member of organized crime and a "friend" of Red Scollo, he responded incoherently "I don't, I don't remember what it was for but he was an old friend so I don't remember it." *Id.* at 114, 120. When asked, Coppola did not maintain that conversations reflected in the tape transcript document were "untrue." *Id.* at 115.

This was not the only example of Coppola attempting to save his job by reaching out to Primo Cassarino. In a similar taped conversation from June 11, 2001, between

Michael Emmett and Primo Cassarino, Emmett too tells Cassarino that Coppola is trying to reach him.[19] The conversation is transcribed from an outgoing call made by Cassarino (identified as "PC") to Emmett (identified as "Mike Emmett" and "Mike") in part concerning Coppola. Emmett tells Cassarino that Coppola wants to talk to him about "a little thing that happened with" Coppola. The relevant portions of the transcript read as follows:

> Mike Emmett (Mike): Hello.
> Cassarino (PC): Hello, who's this?
> Mike: Mike
> PC: Mike, somebody beeped me.
> Mike: Oh, this is Prim?
> PC: Yeah
> Mike: What's up, buddy, it's Michael
> PC: Hey, Mike, what's doing?
> Mike: Listen,
> PC: How are you?
> Mike: Listen . . .
> PC: Not much.
> Mike: Listen, this kid oh, from down here, from uh from over there, where I was working, the kid, Frankie.
> PC: Yeah
> Mike: He called me up yesterday.
> PC: Right
> Mike: He goes oh, could you get in touch uh, with your friend, (UI), I said what something, he goes no just a little thing that happened with me down there, this and that, blah, blah, blah just wanna let Jerry (S/L) and them know. I said I'll tell you the truth I, I'm not giving your number to nobody. You know what I'm saying.
> PC: Nah, nah, don't give him my number. I don't like that kid, I told you that.
> Mike: Yeah, so I says uh, I ain't got his number, I says I don't know if I can get in touch with him or whatever and uh, I don't know. So he didn't wanna tell what was wrong, so I says I'll try to get but I don't know if I can get it.
> PC: Alright. I'm with him now. I'll tell him.
> Mike: If you can get it, he says, if you can get in touch with him, give him my number, maybe he can call me or

[19] The conversation was recorded June 11, 2001 from a wiretap placed on Cassarino's phone. The transcript is covered by a cover sheet, dated June 11, 200 I, which indicates that the transcript is in connection with Case # 00-018WP, Call# 12955 B, and Tape# S-4188/01. The conversation was intercepted by an FBI agent and transcribed by an agent of the Waterfront Commission. The transcript uses the following abbreviations: (UI)- "Unintelligible"; and S/L- "sounds like".

whatever. This and that, I said alright. So, if you want his number, if you don't I don't give a fuck.
PC: I don't want it. I don't want it.
Mike: Oh. I'll tell him I never got in touch with you, I couldn't get it. That's all.
PC: Very good. Thanks, pal.

Emmett-Cassarino Recording Transcript, June 11, 2001 at 1-2.

Questioned twice before being shown this transcript, Coppola predictably denied ever asking Michael Emmett to reach out to Primo Cassarino on his behalf. *See* 9/19/13 Dep. at 123, 124. After reviewing the transcript, Coppola claimed to be unable to remember anything about why he spoke to Emmett about Cassarino *(id.* at 125-27, 134-35), though he conceded that he believed that Emmett was closer to Cassarino than he was and that that was why he contacted him. *Id.* at 135.

G. American Warehousing Loan to Applicant; Coppola's Denial of Such Loan to the Commission.

A Compliance Audit of American Warehousing for the period January 1, 1997 through December 31, 2001, conducted by the Waterfront Commission found that a $5,000 loan was made by American Warehousing to Coppola in August of 2000. *See* American Warehousing Compliance Audit, May 6, 2009. During his testimony before the Commission, Coppola falsely stated that American Warehousing never loaned him money. *Id.* at 68.

H. Coppola's Undisclosed Trade Waste Industry Employment.

Coppola testified that he worked as a truck driver for Rutigliano Paper Stock, Inc., from approximately 1993 to 1995, and that he also worked as a truck driver for Metropolitan Paper Recycling, Inc. for "a couple of years" following his termination from American Warehousing. 1/18/13 Dep. at 32-33; 9/19/13 Dep. at 170. Coppola did not disclose either of these trade waste industry jobs on either his May 2011 or December 2012 certified disclosure forms filed with the Commission. *See* Disclosure Forms at 4.

I. Coppola's Employment with a Company Whose Principals Were Convicted of a Conspiracy Involving Embezzlement of Tens of Millions of Dollars; Coppola's Failure to Disclose Such Employment to the Commission.

Following his termination at American Warehousing, Coppola began employment at an insurance brokerage known as Judd Associates Ltd. ("Judd"), which was also known as C.S.I.R. Enterprises. Coppola claimed to have worked at Judd full-time for two years though he could not recall his actual start and end dates. *See* 1/18/13 Dep. at 78; *see also* 9/19/13 Dep. at 169 and 172. Since it appears that he left

American Warehousing in mid-2001 it is reasonable to assume Coppola worked for Judd until approximately mid-2003.[20] Coppola did not disclose his employment at Judd on either his May 2011 or the December 2012 certified disclosure forms. Instead, Coppola falsely stated that he worked for American Warehousing from January 2000 to May 2004. *See* Disclosure Forms at 4. Coppola testified that he was hired by Frank DePrisco, one of the principals at Judd who was from the Red Hook section of Brooklyn. Coppola testified that he knew DePrisco through another waterfront worker, Lenny Russo. *See* 9/19/13 Dep. at 141 and 1/18/2013 Dep. at 75. DePrisco's partner, Judd Feinerman, also had a role in hiring him. 9/19/13 Dep. at 143-144. Coppola testified that Judd hired him at an initial annual salary of $100,000 plus commissions, even though he had no prior experience in either sales or the insurance industry. *Id.* at 173-174. Coppola also testified that he worked as a "producer" for the company, i.e., someone who made introductions and brought in business, though he could not name any clients that he obtained for Judd and could not name any of the insurance companies that provided policies for the companies that he did bring in. *Id.* at 138-140, 146-147, and 149, and 1/18/13 Dep. at 80.

In 2004, DePrisco and Feinerman were indicted by a federal grand jury for defrauding clients of Judd Associates of millions of dollars. *See United States v. Frank DePrisco and Judah Feinerman,* 04-cr-0091 (SDNY) ("Feinerman"), Indictment, dated February 3, 2004 ("Judd Indictment"). The Judd Indictment alleged, *inter alia,* that between 1998 and February 2003, DePrisco and Feinerman devised a scheme to fraudulently obtain insurance premiums and fees by: a. representing that they had obtained certain insurance coverage for clients, collecting premiums to pay for that insurance, but never actually placing that coverage; b. obtaining insurance policies on behalf of clients, collecting premiums for those polices, then causing the policies to be cancelled by failing to pay all or part of the premiums; c. obtaining policies on behalf of clients, collecting premiums for that coverage, then cancelling those policies and replacing them with less expensive and less valuable coverage; d. collecting premiums to pay for one client's insurance, and then using those funds to pay for insurance issued to another client; and e. collecting premiums not yet due from clients or from companies financing those premiums and using that money for purposes wholly unrelated to the client. *Id.* at 4. DePrisco pleaded guilty to conspiracy to commit wire and mail fraud (18 U.S.C. § 371) and Wire fraud ((18 U.S.C. § 1343), and was sentenced to a six-year term of imprisonment. *See, United States v. DePrisco,* 04-cr-0091, Judgment, dated August 2, 2005. Feinerman pleaded guilty to conspiracy to commit wire and mail fraud (18 U.S.C. §371), and was sentenced to a three-year term of imprisonment. *See Feinerman,* Amended Judgment, dated July 11, 2005. The Court ordered the defendants to pay almost $19 million dollars in restitution to its defrauded clients. *Id.* at 5.[21]

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[20] In the Applicant's Freehold Auto Group Employment Application, discussed in Part J, *infra,* the Applicant states that he worked for Judd from January 2001 to March 2003. *See* Freehold Auto Group Employment Application, dated July 6, 2004, at 2.

[21] Many more losses were covered by insurance, thus diminishing the amount of restitution to be paid. *See* indictments at 8-10, and 6-8, respectively.

Coppola testified that he did not service any of the three defrauded companies mentioned in the Judd Indictment (i.e., Mystic Transportation, Bennett International, Star Transportation), for which DePrisco and Feinerman "ended up in trouble." *See* 9/19/13 Dep. at 140-141. Coppola conceded that DePrisco and Feinerman stole "50 million dollars in premium money" while he was working there. *Id.* at 155. Coppola testified that he took two or three trips to Miami with DePrisco and Feinerman to solicit business on behalf of Judd although, characteristically, he could not remember the name(s) of the customer(s) involved during those trips. *Id.* at 152-153; 155; 165.[22] Coppola denied taking part in the conspiracy or knowing about it while he worked there, and claimed not to know whether any of his own customers were defrauded. *Id.* at 157-158. Coppola did concede that some of the customers that he brought in to Judd may have received insurance from Lloyd's of London through the firm *(id.* at 158-159) even though C.S.I.R. did not have authority to offer insurance from Lloyd's. *See* Judd Indictment at 10. Coppola testified further that some of the customers that he brought to Judd became his customers when he obtained an insurance broker's license, though, yet again, Coppola could not name any of these customers. *See* 9/19/13 Dep. at 166 and 176.

Coppola left it to the Commission staff to discover on its own that he worked for Judd, rather than disclose it as required when he applied to work in the trade waste industry in 2011 and again in 2012. Misrepresenting this part of his employment history has an obvious utility for Coppola. It meant that he did not have to explain the circumstances of his firing from American Warehousing or his subsequent employment at Judd whose principals were convicted of massive insurance fraud based on acts they committed in part while Coppola worked there. Not having to explain such details allows Coppola to maintain the fiction that he has stayed away from criminal actors since his drug trafficking conviction (9/19/13 Dep. at 22). Despite considerable evidence to the contrary, Coppola would have the Commission believe that that conviction and his association with criminals – organized and otherwise -- represent an isolated uncharacteristic mistake he made long ago that should not be held against him. The Commission does not credit such an assertion.

J. Dissolution of Applicant's Business, A.F.C. Associates, Inc., By Proclamation of New York State; Outstanding Tax Lien of Almost $19,000.

Coppola testified that he opened his own insurance brokerage, A.F.C. Associates, Inc. ("AFC"), when he left Judd and obtained a New York insurance broker license on July 8, 2003. *See* Coppola Dep. 9/19/2013 at 166-167. *See* Coppola Memorandum of Law at 11; *see also* Coppola Affidavit at 8.

[22] The Judd Indictment alleged that specific activities related to the conspiracy to defraud were carried out by DePrisco and Feinerman in Miami, Florida in February 2003. *See* Judd Indictment at 12; 18.

Coppola testified that he operated AFC out of the main office of Metropolitan Paper Recycling, Inc. in Brooklyn and that Metropolitan was AFC's biggest account. *See* 1/18/13 Dep. at 81-83. Coppola once again could not recall any of his other clients. *See id.* at 83. Coppola testified that the business operated for two to three years, that he voluntarily dissolved the company when he lost Metropolitan as a client, and that when he did so AFC did not owe any debts to tax authorities. *See* 9/19/13 Dep. at 179, 181-182. However, NYS Department of State records list AFC's corporate status as: "Inactive – Dissolution by Proclamation/Annulment of Authority (Oct 26, 2011)." According to State tax law, corporations that have been delinquent in filing returns or paying taxes or fees for two consecutive years are subject to dissolution by proclamation by the New York Secretary of State. *See* New York State Tax Law § 203-a. A search of Westlaw public records databases also show an active $18,844 federal tax lien filed against AFC on November 8, 2011. Coppola maintained that he doesn't owe any money and testified that he would "take care of this." *See* 9/19/13 Dep. at 184. As of the date of this Notice, AFC's corporate status remains "inactive" and AFC's federal tax lien has not been paid or otherwise.[23]

K. Additional Misrepresentations and Issues With Employers; False Statements to the Commission

In applying for work with his next employer, Coppola again misrepresented his employment history. The omissions and misrepresentations in his employment application are similar to those in the disclosure forms submitted to this Commission.

Coppola testified that he began working as an automobile salesman for Freehold Auto Group in 2004. *See* 9/19/13 Dep. at 185. Coppola's July 6, 2004 employment application with Freehold contains several self-serving inaccuracies despite Coppola's certification that the information he submitted was true and accurate. *See* Freehold Application at 1. Coppola falsely stated that he worked for American Warehousing from December 1986 through January 2001, omitting both other employment and his period of incarceration from 1995 to 2000. In response to a question that asked the applicant to "explain fully any gaps in your employment history," Coppola simply replied "No Gaps." *Id.* at 2. Coppola claimed later that these answers were due to a "misunderstanding."[24] *See* 9/19/13 Dep. at 188. In addition, Coppola claimed that Jerry Ponsiglione was his last supervisor at both American Warehousing and at Judd Associates, even though Ponsiglione supervised him only at Continental Terminals, not American Warehousing or Judd Associates. *See* 9/19/13 Dep. at 188; *see also* Freehold Application at 2. Coppola conceded in

[23] A Westlaw public records database search also reveals the following additional outstanding lien against AFC: New York State Tax Warrant, filed August 31, 2011, Filing No. 002907928, in the amount of $469.25.

[24] Coppola disclosed his "felony conviction/March 1996" later in the Freehold Application. However, when given the opportunity to provide details, he merely indicated that he was "released from probation – Oct 2003," and did not indicate any period of incarceration. *See* Freehold Application at 3. Coppola asserted that he advised Freehold Auto Group of his incarceration verbally. *See* 9/19/13 Dep. at 191.

later testimony that these answers were not accurate. *Id.* at 188-189. One likely utility of this inaccuracy to Coppola was that he did not then have to disclose his actual supervisor, the indicted Frank DePrisco. *See* 9/19/13 Dep. at 189. Coppola also falsely claimed that he had never "been terminated or asked to resign from any job." *See* Freehold Application at 2. Coppola characterized this self-serving falsehood as simply a "mistake." *See* 9/19/13 Dep. at 190.

In addition to the misrepresentations in his employment application, Coppola also falsely testified before the Commission that he was never disciplined and never received a letter of discipline while employed at Freehold Auto Group. *Id.* at 191-192. This, as he was (again) compelled to concede, was false. Coppola was in fact cited for failing to properly safeguard customer information on multiple occasions. *See* Freehold Auto Group "Employee Disciplinary Report for Safeguard Violation" forms, dated March 20, 2006, undated, and June 19, 2006, respectively. In addition, Coppola was also disciplined for sexual harassment while employed at Freehold Auto Group. The Commission obtained three memoranda from Freehold Auto Group detailing a sexual harassment complaint against Coppola by a female co-worker. *See* Freehold Auto Group Memoranda, Joseph DeAngelo to Sal Hernandez, dated August 9, 2005, G. Mackey to file, dated August 9, 2005, and G. Mackey to file, dated August 11, 2005. Presented with evidence that his denial was incorrect, Coppola minimized the significance of his conduct. He characterized the incident as "playing around" and "minor" and the apology he was directed to make to the complainant a "formality." *Id.* at 193-195.

L. Applicant's Continuing Association with a Member of Organized Crime; False Statement to the Commission.

Despite his claim that he has not had any associations with any members or associates of organized crime since his release from prison, Coppola counts among his current friends Gambino soldier Joseph Chirico.

Joseph Chirico has been identified by law enforcement as a soldier in the Gambino Crime Family. *See*, United States v. Agate, et al., 08-cr-0076 (EDNY) Indictment, dated February 7, 2008, at 9. Chirico pleaded guilty to money laundering conspiracy and was sentenced to five years probation with six months home confinement. *See*, *United States v. Chirico,* 08-cr-0076 (EDNY) Judgment, dated December 5, 2008, at 1 and 3. Chirico is also the owner of the Marco Polo Restaurant in Carroll Gardens, approximately five blocks away from the Red Hook piers.

According to Coppola, one of the accounts he obtained for Metropolitan Paper Recycling, Inc., in 2011, was the Marco Polo Restaurant. *See* 9/19/13 Dep. at 205. He testified that he knows Chirico as "Joe Marco Polo," and that he eats at the Marco Polo Restaurant regularly, meeting clients there "once a month, every other month maybe". *Id.* at 209. As was the case with Primo Cassarino and Frank Scollo, Coppola is aware of Chirico's involvement with organized crime. Nonetheless, he considers Chirico a "friend" and continues to do business with him. *Id.* at 209, 211, and 213.

IV. ANALYSIS

A. Coppola failed to provide truthful information in connection with the Commission's investigation of Coppola's employment disclosure form.

Admin. Code § 16-509(a)(i) permits the Commission to deny a registration or license application of a business applicant which has failed to provide truthful information in connection with the application. Such basis is equally applicable with respect to the Commission's consideration of whether Coppola lacks good character, honesty and integrity.

1) Coppola's Untruthfulness with Regard to His Role in the Drug Trafficking Conspiracy.

In general, Coppola sought to minimize to the point of untruthfulness his involvement in the drug trafficking conspiracy. Coppola disclaimed knowledge of the breadth of the conspiracy, for example, and claimed not to know what was in the bag he carried to Dino Basciano. He specifically denied any involvement in selling or distribution: "selling it [the cocaine], ... -- I wasn't part of any of that." *See* Coppola Dep. 1118/2013 at 51. In Coppola's telling, "I got convicted of 2 minutes of carrying a bag." *Id.* It is largely the same account he presented (and which was rejected by the Court) at his sentencing.

Coppola was convicted in part on the strength of the testimony of cooperating witness Dino Basciano who also provided additional information incorporated into the presentence report and reviewed by the Court.[25] The Court observed that "Dino [Basciano] explained to him [Coppola] what was going on, that he was aware" and "[w]hen he [Coppola] agreed to get involved, he agreed to get involved aware of the extent of this conspiracy." *See* Sentencing Transcript at 53.[26] The Court found it impossible to characterize Coppola as a "minimal player" in the conspiracy *(id.* at 67-68), and noted that what "set apart" Coppola from being a "mere courier" in the drug conspiracy was Coppola's actual distribution of cocaine. According to the Court, Coppola was given cocaine from the shipment that he offloaded into Basciano's car to sell on the street. *Id.* at 52. Basciano's testimony, statements and information bear

[25] Basciano also provided evidence that Coppola engaged in other criminal activity along with Basciano, including a murder and robbery plot. *See supra* at 26-27 and Sentencing Transcript at 78.

[26] The official designated to review the Coppola investigation retrieved the Sentencing Transcript from the archives of the U.S. District Court for the Eastern District of New York and read the entire document. He then photocopied pages 45 through the last page of the Sentencing Transcript (i.e., page 92) and provided them to Coppola's Counsel. These pages relate directly to Coppola's role in the drug trafficking conspiracy and were relied upon as part of the background investigation. Counsel was advised of this fact and was invited to request any additional pages from the Sentencing Transcript from the Clerk of the U.S. District Court for the Eastern District of New York. *See* June 13, 2013 e-mail message from Martin G. Gleeson to Counsel.

several indicia of reliability *(see, e.g., supra* at 10, fn. 10). Coppola's denials do not.[27] Moreover, the Court's characterization of Coppola's involvement in the criminal enterprise based upon its review of the evidence at trial is more credible than the Coppola's self-serving denials and evasions.

Coppola argues that the Commission's reliance upon the credible evidence regarding the degree of his involvement in the conspiracy amounts to "suppositions that his role in his crime was larger than the evidence prescribed." *See* Coppola Memorandum of Law at 20. To the contrary, the Court specifically based its judgment on the evidence. Coppola's counsel offers that "[i]n 1996, Frank vigorously rejected any such larger involvement and Frank's (sic) repudiates such concocted larger role today." Indeed, Coppola urges the Commission to disregard entirely Judge Dearie's stated assessments of his role in the drug trafficking conspiracy because they are based upon Dino Basciano's testimony. See *id.* There is simply no basis for doing as Coppola asks. Coppola offers no evidence that Basciano lied. As the court put it at sentencing, faced with a similar invitation to minimize Coppola's role and discount Basciano's testimony: "I'd like to discount the testimony but I can't you see, because Dino Basciano testified – and I believe credibly, as did the jury – that Mr. Coppola's role with respect to at least one half kilogram [of cocaine] went beyond" offloading part of a single shipment. *See* Sentencing Transcript at 51. Coppola asks the Commission to discount the credibility determinations of both the jury and the presiding judge, but offers no evidence to justify doing so.

2) **Coppola's False Statements to the Commission on Other Material Issues.**

Coppola also provided a long list of false and misleading information to the Commission during its background investigation in the form of sworn investigative interviews, certified Commission disclosure forms, and other certified submissions. Coppola's lack of candor related to material matters that the Commission was required to investigate as part of its background investigation.

- Coppola testified that he had never been suspended by the Waterfront Commission when in fact the Waterfront Commission suspended Coppola's registration as a warehouseman for five days in 1993.
- Coppola did not disclose his employment with Revere Sugar on his disclosure forms.
- Coppola failed to disclose on either the May 2011 or the December 2012 certified disclosure forms his employment as a truck driver for Rutigliano Paper Stock, Inc. from approximately 1993 to 1995.
- Coppola testified that he didn't think that he needed a Waterfront Commission registration for his post-incarceration employment with American Warehousing,

[27]Had Coppola's testimony on other matters proved to be forthright and reliable there would be more of a basis to accept his version of the events surrounding his conviction. That is not the case, however. Coppola's testimony, and other evidence, shows him to be a less than honest witness as to his own conduct and motives.

and didn't think that he would get one if he applied because of his drug conspiracy conviction. However, this testimony contradicts previous testimony in which Coppola asserted that he needed Waterfront Commission approval to work at American Warehousing in 2000.

- Coppola previously testified that after he was released from prison, he worked for American Warehousing for three or four years.
- Coppola testified that he left his employment at American Warehousing in the summer of 2001. In both the May 2011 and December 2012 certified disclosure forms that the Applicant had filed with the Commission, he reported that his post-incarceration employment with American Warehousing was from January 2000 to May 2004.
- Coppola testified that he left American Warehousing because he "had an offer to work in the insurance business" and that he left on his own accord when he had in fact been fired.
- Under the "Reason for Leaving" in the employment history sections of both the May 2011 and December 2012 certified disclosure forms, Coppola wrote "Company Closed" as his reason for leaving employment at American Warehousing, when he had in fact been fired.
- Coppola failed to disclose on either the May 2011 or the December 2012 certified disclosure forms his employment as a truck driver for Metropolitan Paper Recycling, Inc. for several years following his termination from American Warehousing in 2001.
- Coppola falsely denied that he ever borrowed money from American Warehousing.
- Coppola testified that the only job that he was ever fired from was Metropolitan Paper Recycling, Inc., when in fact he was also fired from American Warehousing in 2001.
- Coppola failed to list his full-time two year employment with Judd Associates Ltd., on either the May 2011 or the December 2012 certified disclosure forms.
- Coppola's testimony that he opened A.F.C. Associates, Inc., for operations in or about mid 2003 conflicts with information provided in both the May 2011 and December 2012 certified disclosure forms in which he stated that he was employed by AFC from 2001 to 2003.
- Coppola falsely testified that he voluntarily dissolved A.F.C. Associates, Inc., and that the company did not owe any debts to tax authorities.
- Coppola falsely testified that he was never disciplined and never received a letter of discipline while employed at Freehold Auto Group.
- Coppola falsely testified before the Commission that he was never disciplined for sexual harassment and never received a letter for sexual harassment while employed at Freehold Auto Group.

Coppola also provided false and misleading statements to the Commission concerning his associations with members and associates of organized crime and with persons convicted of racketeering activity. For example:

- Coppola testified that "[n]one of my co-conspirators worked at American Warehousing." However, Coppola later changed his answer when questioned directly about co-conspirator Michael Emmett, stating "Oh, yes, I believe he did. Michael did [work at American Warehousing]."
- Coppola denied that Emmett was one of the halfway house employees working at American Warehousing, and further stated that "I was not supervising him." When confronted with a Waterfront Commission police report detailing an injury to Emmett which identified Emmett as a halfway house resident, Coppola changed his answer.
- Coppola initially denied having any interaction with Michael Emmett since his release from prison. Coppola later conceded that he had numerous significant interactions with Emmett following his release from prison.
- Coppola denied that Michael Emmett was a dock worker, when in fact Coppola supervised Emmett's work at Pier 5 for American Warehousing.
- Coppola falsely testified that he has had no interaction with any members or associates of organized crime or anyone that had been convicted of racketeering following his release from prison.
- In his response to the Initial Conclusion Notice, the Applicant falsely maintained that he had no interaction with any members or associates of organized crime following his release from prison. A statement in Coppola's Response is unequivocal: "[s]ince his release from prison over thirteen (13) years ago, Frank has *no contacts* with organized crime figures" (emphasis added). Another statement from Coppola's response provides that "for 17 years since his conviction, Frank has had *no involvement* with any organized crime figures" (emphasis added).
- Coppola testified that he never tried to contact Gambino soldier Primo Cassarino since he was released from prison. He had in fact done so on at least two occasions.
- Coppola falsely denied that he met with Gambino associate Frank Scollo to seek the intercession of Primo Cassarino on his behalf after he was fired by American Warehousing.
- Coppola falsely testified that he did not ask Michael Emmett to contact Primo Cassarino on his behalf when he was fired by American Warehousing.
- Coppola falsely testified that he had "stayed away from criminal actors" since he was released from prison.

Coppola also provided false and misleading statements to the Commission concerning his criminal activity. For example, Coppola failed to disclose his arrest by the Manalapan, N.J. Township Police Department on February 5, 1994, and charge of violating NJSA 2C:21-5, ("Bad checks."). *See* New Jersey Criminal History Detailed Record.

This record amply justifies the conclusion that Coppola has provided false and misleading information to the Commission in the course of its investigation.

B. Coppola associated with persons identified by law enforcement as members and associates of organized crime when Coppola knew or should have known of the organized crime associations of such persons.

Admin. Code § 16-509(a)(vi) permits the Commission to deny a registration or license application of a business applicant that has knowingly associated with any member or associate of an organized crime group as identified by a federal, state or city law enforcement or investigative agency. Such basis is equally applicable with respect to the Commission's consideration of whether Coppola lacks good character, honesty and integrity.

It cannot be disputed that prior to his drug trafficking conviction, Coppola knowingly associated with members and associates of organized crime. He was observed at a social club at 461 Court Street in Carroll Gardens that was at the time the headquarters of Anthony ("Sonny") Ciccone, a Gambino capo who controlled the Brooklyn piers for the Gambino family. His childhood friends included Dino Basciano whom he knew for some 15-20 years prior to 1994 when Basciano, then an associate of the Lucchese crime family, was arrested and charged in federal court with murder conspiracy and weapons charges, including the provision of some 60 guns to warring factions in the Colombo crime family. Basciano recruited Coppola into a cocaine trafficking conspiracy that would result in Coppola's conviction for drug trafficking in 1996 when Basciano became a cooperating witness for the Government and testified against Coppola. His testimony was found credible by the jury that convicted Coppola. As part of his cooperation with the Government, Basciano disclosed additional crimes that he committed with Coppola. According to Basciano, he and Coppola participated in a robbery along with another organized crime associate, Scott Konop. According to Basciano, Coppola also tried to engage Basciano in a conspiracy to murder Coppola's business partner in a bagel store between approximately 1989 to 1991. The Commission, like the Government, is justified in relying on Basciano's trial testimony and information supplied to the Government via his cooperation agreement.

Other co-conspirators in the drug trafficking scheme were also associates of organized crime. Matteo Ruggiero was identified by the FBI as an associate of the Gambino crime family, and Frank O'Hehir pleaded guilty in 1995 to federal weapons charges in connection with the Colombo crime family. In addition to the associations with these individuals in the drug trafficking conspiracy, Coppola admitted that he saw Ruggiero at Sonny Ciccone's social club at 461 Court Street. *See* 1/18/13 Dep. at 60. The FBI identified this social club as a place where members of organized crime routinely conducted labor racketeering, gambling, loansharking, and other illegal activities. Coppola admitted that federal prosecutors "had a picture of me in front of the club, which came up in my trial." *Id.* at 61.

The record does not demonstrate a clean and unambiguous break with his co-conspirators or with members of organized crime following Coppola's release from prison. Rather, Coppola went back to work on the waterfront at American

Warehousing without registering with the Waterfront Commission. There, he secured jobs for other ex-convicts including one of his co-defendants, Michael Emmett, a fact which Coppola initially denied under oath. When Coppola was fired from that job in the summer of 2001, he sought the intercession of Primo Cassarino, a Gambino soldier in Anthony Ciccone's crew who exercised great influence on the Brooklyn docks. Coppola sought to contact Cassarino through the president of Local 1814 of the International Longshoremen's Association, a Gambino associate named Frank ("Red") Scollo. *See* 1/18/13 Dep. at 61-62. Coppola knew Scollo in part by seeing him from time to time in the 1990's at Ciccone's 461 Court Street social club. *Id.* Cassarino, who apparently did not care for Mr. Coppola, declined to speak to him. Coppola initially attempted to explain away his attempted contact with Primo Cassarino through Scollo by explaining that Scollo was a union delegate and someone who represented him. 9/19/13 Dep. at 112-13. However, it defies credulity that someone who was terminated from a non-union position would seek the assistance of a union official to make contact with someone who held no discernible position on the waterfront in order to help him get reinstated at American Warehousing. After his denials that he sought to contact Cassarino became untenable, Coppola could offer no explanation why he would contact him or why he would seek to do so through Red Scollo.[28] That Coppola did not hesitate to reach out to a member of organized crime when he believed it was in his interest to do so is strong evidence that he has not made a clean break with the past, that he is still leading or willing to lead the "double life" that the Court found him to be living in 1996. The obvious danger is that he would be a willing conduit for the influence of organized crime in the carting industry if he felt it was in his interest to do so. As such, he is unfit to work in this industry.

In addition, another government wiretap recorded a conversation between Cassarino and Michael Emmett that showed that Coppola also sought to contact Cassarino through his Emmett, Coppola's former co-defendant and a convicted racketeer. Emmett tells Cassarino that Coppola called him and asked him to get in touch with Cassarino because of a problem that Coppola was having at the piers. Coppola asked Emmett to give Cassarino Coppola's phone number so that Coppola could discuss the problem with him. After expressing annoyance at and dislike for Coppola, Cassarino again refused to involve himself on his behalf. Once again, Coppola demonstrated his willingness to contact a member of organized crime when he thought it might help him, as well as a persistent unwillingness to testify truthfully about his actions. Coppola initially denied having "any interaction" with Emmett after being released from prison *(see* 9/19/13 Dep. at 18) and denied specifically attempting to contact Cassarino through Emmett *(id.* at 123-124). After being shown a transcript of Emmett's conversation with Cassarino about Coppola, Coppola claimed to be unable to remember anything about it and could not offer an explanation why he would ask Emmett to contact Cassarino on his behalf *(id.* at 127).

[28] Perhaps the most plausible explanation is that Coppola knew that the Gambino family had the power to get him his job back on the waterfront and that Cassarino was the man he had to see because Cassarino controlled the Brooklyn docks for the Gambino family at the time.

Coppola has more recently shown that he remains willing to do business with members of organized crime. He testified, for example, that he is friends and does business with Joseph Chirico, the owner of the Marco Polo restaurant in Brooklyn, who has been identified as a soldier in the Gambino crime family by federal law enforcement. Coppola testified that he is aware that Chirico has been alleged to be connected to organized crime, yet sought and obtained the Marco Polo carting account through Chirico when he worked for Metropolitan Paper Recycling. He also said that the account would have followed him to his new prospective employer, Mr. T Carting. In addition, Coppola frequently eats at the restaurant whenever he meets clients in Brooklyn. Coppola testified that he believed it is not a problem for him to do business with a member of organized crime like Joseph Chirico so long as "I have nothing to do with his personal life and what he does." *See* 9/19/13 Dep. at 216.

Coppola's post-release associations with members and associates of organized crime demonstrate that he has not made a "clean break" with his past. Coppola has also demonstrated through his actions and testimony that he will do and seek to do business with such persons when he believes it would be in his interest to do so. As such, allowing him to work in the industry would have a result inimical to the purposes of Local Law 42.

C. Coppola's felony conviction on federal drug trafficking charges demonstrates that he lacks good character, honesty and integrity.

Coppola was indicted in 1995 and later convicted of conspiring with members and associates of organized crime to import and distribute cocaine into the United States – a crime for which he was sentenced to five years in federal prison with an additional term of supervised release.

In making a determination regarding good character, honesty and integrity in connection with an application for a license or registration, Admin. Code § 16-509(a)(iii) expressly permits the Commission to consider the conviction of an applicant for a crime which, considering the factors set forth in Correction Law § 753, would provide a basis under such law for the refusal of such license or registration. Such basis is equally applicable with respect to the Commission's consideration of Coppola's request for approval of his employment as a sales representative for an entity licensed by the Commission. The factors in Correction Law§ 753 to be considered are as follows:

> (a) The public policy of this state, as expressed in this act, to encourage the licensure and employment of persons previously convicted of one or more criminal offenses.
>
> (b) The specific duties and responsibilities necessarily related to the license or employment sought.
>
> (c) The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have

on his fitness or ability to perform one or more such duties or responsibilities.

(d) The time which has elapsed since the occurrence of the criminal offense or offenses.

(e) The age of the person at the time of occurrence of the criminal offense or offenses.

(f) The seriousness of the offense or offenses.

(g) Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.

(h) The legitimate interest of the public agency or private employer in protecting property, and the safety and welfare of specific individuals or the general public.

See Correction Law§ 753. A consideration of these factors favors a finding that Coppola lacks good character, honesty and integrity.

The Commission finds that Coppola lacks good character, honesty and integrity because there is a direct relationship between Coppola's previous criminal conviction and the specific approval sought. *See* Correction Law§§ 752(1) and 753(1)(a). While smuggling cocaine is not the same thing as providing waste hauling services that is hardly the end of the matter. Coppola was convicted of knowingly participating in drug trafficking with members and associates of organized crime and his crime was closely connected to his employment on the waterfront. His access to the piers through his employment was a key factor that made him a valuable member of the conspiracy. He now seeks to work in an industry with a long history of pervasive organized crime corruption. His past conviction is directly related to this application. It is undeniable that Coppola was at one time willing to conspire to commit crimes with members and associates of organized crime. That Coppola continues to associate and -- what is in some ways more disturbing – *actively attempts* to associate with such persons in connection with his employment does not give the Commission confidence that he will not do so again. Coppola, in his Response, asserts that "[t]here is no direct relationship between a 17 year old conviction for conspiracy to distribute cocaine, and the present day delivery of carting services in the waste industry." S*ee* Coppola Memorandum of Law at 8. Such assertion is true only in the most literal sense and misses the point. It ignores the circumstances of Coppola's conviction as well as the history of the industry he seeks to enter.

In any case, Local Law 42 expressly permits the Commission to deny a trade waste license or registration to an applicant who has committed a racketeering

activity or who has knowingly associated "with a person who has been convicted of racketeering activity." *See* Admin. Code § 16-509(a)(v); *see* also 18 U.S.C. §1961(1) (defining a racketeering activity to include "the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in a controlled substance or listed chemical (as defined in section 102 of the Controlled Substances Act)").

While 17 years have elapsed since the conduct for which he was convicted and the filing of this Application, when Coppola recently testified in connection with this investigation, he did not accept full responsibility for his participation in the drug trafficking conspiracy. Moreover, he has continued to associate with members and associates of organized crime when such associations seem to him to align with his business or employment interests.[29]

Coppola argues that his crime is "stale" for purposes of Correction Law §753(1)(d).[30] In support of such argument, Coppola points to the Commission's Disclosure Form which in some instances asks only for information that occurred within the preceding 10 years. *See* Coppola Memorandum of Law at 17-18. Such argument falls flat, as there are no time limits on questions concerning an applicant's associations with organized crime figures and felons. *See, e.g.,* Application Question No.28. Indeed, it would be a mistake to infer from that 10-year limitation for certain questions that the Commission is uninterested in or prohibited from considering anything that happened outside that period or that it is adopting a policy for itself that everything prior is out of bounds or otherwise "stale." Coppola also argues that the mere passage of time without a subsequent conviction requires the Commission to find that Coppola is rehabilitated. Coppola's lack of candor and his continued associations with organized crime figures, however, undercuts the sincerity of his expressions of remorse. In any event, the balance of the other Correction Law §753(1) factors, including, but not limited to, the fact that Coppola was convicted of racketeering activities, do not render his crimes moot on timeliness grounds.

Coppola's crime was no youthful folly or indiscretion. *See* Correction Law§ 753(1)(e). He was almost 36 years old when his last criminal acts in the drug trafficking conspiracy occurred. Coppola's offenses were also serious. *See* Correction Law § 753(l)(f). As the Government pointed out at sentencing, Coppola "assisted in bringing a large quantity of cocaine into Brooklyn. That cocaine has no doubt been distributed. It wreaks terrible consequences upon our community." *See* Sentencing Transcript at 76. As a reflection of how serious the court took his actions, Coppola's

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[29] As previously noted, in his sworn testimony before the Commission, Coppola minimized his role in the drug trafficking conspiracy and his account was at sharp odds with the information revealed at his sentencing hearing and with the Court's conclusions about Coppola's more expansive role. *See* Correction Law§ 753(l)(d).

[30] Coppola's current claim, that his crimes, including his transport of cocaine, were committed in 1992 contradicts both the indictment, which states that Coppola's crimes took place "between June 1992 and August 9, 1995," and Coppola's own testimony that he transported the cocaine at the dock in the "summer of '95". *See* Coppola Dep. 01/18/2013 at 49. Accordingly, Coppola's criminal offenses last occurred in 1995, some 17 years before he filed this Application, and that is the appropriate time period for consideration under Correction Law §753(l)(d).

punishment was substantial. Moreover, Coppola's testimony about the circumstances of his conviction and his account of himself since his release from prison left a good deal to be desired. He was neither forthcoming nor honest and his claims were at odds with what the Commission discovered with respect to his behavior in subsequent employment which belied his claims of reform.

Coppola also argues that his occupational licenses to work in the insurance and real estate industries are evidence of his rehabilitation. The particular concern of this Commission, however, is that participants in the trade waste industry in New York City be free of association with organized crime and criminality. That concern is not assuaged, particularly in the case of someone with a demonstrated history of such association such as Mr. Coppola, by the fact that he holds licenses to work in other industries without a similar history of organized crime corruption.

Finally, "it is beyond question that the government has a compelling interest in combating crime, corruption, and racketeering." *Sanitation and Recycling Industry Ass'n. v. City of New York,* 107F.3d 985, 998 (2nd Cir. 1997); *see also* Correction Law§ 753(1)(h).

Accordingly, under all the circumstances, the Applicant's conviction for drug trafficking means that his employment in the trade waste industry would have a result inimical to Local Law 42.

D. Coppola has acted improperly and dishonestly over the course of his employment history with various employers in a manner that evidences a lack of good character, honesty, and integrity.

Aspects of Mr. Coppola's employment history going back to 1993 evidence a lack of good character in dealing with regulatory authority such that his admission to work in the trade waste industry, given its history of corruption, would have a result inimical to the purposes of Local Law 42.

The Waterfront Commission suspended Mr. Coppola on September 21, 1993. Following his release from federal prison, the Applicant failed to register with the Waterfront Commission and returned to work for American Warehousing from 2000 to 2001. The law required Coppola to register with the Waterfront Commission under New York State Unconsolidated Laws § 9828(1) or otherwise be licensed by that agency under New York State Unconsolidated Laws § 9812(1). Coppola did acknowledge to the Commission that he needed Waterfront Commission approval to work at American Warehousing in 2000, but also testified that he would probably not have been approved had he applied due to his drug trafficking conspiracy conviction *(see* New York State Unconsolidated Laws §§ 9829(a) and 9814(b)). Rather than seek employment elsewhere, Coppola simply disregarded the law and went to work at American Warehousing. In addition, Coppola brought in and supervised as many as 30 halfway house residents to work at American Warehousing, none of whom registered with the Waterfront Commission despite the legal requirement to do so. The risk that

Coppola would similarly disregard trade waste laws and regulations he found inconvenient cannot be ignored.

After his attempts to enlist the help of Gambino soldier Primo Cassarino to preserve his job at American Warehousing failed, Coppola went to work driving a truck for Metropolitan Paper Recycling without making the required disclosure to this Commission, and was later hired by the two principals of Judd Associates, Ltd. ("Judd"), DePrisco and Feinerman, who were subsequently convicted of fraudulently embezzling tens of millions of dollars from Judd clients. Coppola could not provide the exact dates that he worked at Judd and did not list this employment at all on either of his disclosure forms, but he was working at Judd when its clients were being defrauded. Coppola could not provide the Commission with the name of a single customer that he brought into Judd as a producer, and could not name any of the insurance companies that provided policies for the companies that he brought in. Coppola testified that he retained some of the customers that he brought into Judd when he opened his own business, A.F.C. Associates, Inc. ("AFC"), but similarly could not identify any of them. Coppola admitted that he took two or three trips to Miami with DePrisco and Feinerman to solicit Judd business. According to the indictment, acts incident to the fraud occurred in Miami. Coppola claimed not to remember any customer that he did business with on these trips or the names of the hotels at which he stayed. The indictment alleged that Judd fraudulently offered to provide Lloyd's of London insurance to customers when it had no authority to do so. Coppola testified that some of his customers at Judd may have received Lloyd's insurance, but denied any knowledge that this was unauthorized.

None of this proves that Coppola was part of the fraudulent scheme. But his proximity to it in conjunction with his professed inability to remember important details that would assist the Commission's investigation is troubling and the letter submitted by Judd Vice-President Seymour Schlessel does little to assuage those concerns. *See* Letter, dated October 14, 2002, from Seymour M. Schlessel to "To Whom it May Concern."

Other aspects of Coppola's employment history are also troubling. His application for work at Freehold Auto Group - which he falsely certified to be true and accurate -- contained numerous false statements, failed to disclose his imprisonment or the fact that he had been fired by American Warehousing in 2001, and failed to properly name past supervisors in two separate positions (including one who had been indicted in 2004). While employed at Freehold Auto Group, Coppola was disciplined for failing to safeguard customer identity information on three occasions. In addition, he was the subject of a sexual harassment complaint by a female co-worker. Although threatened with termination and, along with his company, litigation, and required to formally apologize to the complainant, Coppola characterized the incident to the Commission as "minor" and a "formality." An e-mail message submitted by Coppola in support of his application from Chris Mackey, General Manager of Freehold Chrysler/Jeep is at odds with this history. In the

message, Mr. Mackey states that "Coppola always operated ethically and represented my store the way that I wanted." *See* e-mail message, dated June 11, 2013, from Chris Mackey to Frank Coppola. It is difficult to reconcile that endorsement with, say, the falsehoods on Coppola's employment application.

On balance, Coppola's employment history, his dishonesty to the Commission and past employers about that history weigh against his admission to the trade waste industry.

E. Coppola failed to pay a tax, fine, penalty, or fee related to his business for which judgment has been entered by a court or administrative tribunal of competent jurisdiction.

Admin. Code § 16-509(a)(x) permits the Commission to deny a registration or license application of a business applicant that has failed to pay any tax, fine, penalty, or fee related to the applicant's business for which liability has been admitted by the person liable therefor, or for which judgment has been entered by a court or administrative tribunal of competent jurisdiction. Such basis is equally applicable with respect to the Commission's consideration of Coppola's request for approval of his employment as a sales representative for an entity licensed by the Commission.

Coppola was the owner and sole principal of A.F.C. Associates, Inc. The NYS Department of State, Division of Corporations database lists AFC's corporate status as: "Inactive – Dissolution by Proclamation/Annulment of Authority (Oct 26, 2011)." New York State corporations that have been delinquent in filing returns or paying taxes or fees for two consecutive years are subject to dissolution by proclamation by the New York Secretary of State. *See* New York State Tax Law § 203-a. Public records also show an outstanding federal tax lien against AFC in the amount of $18,844 that was filed on November 8, 2011. A Westlaw public records database search also reveals the following additional outstanding lien against AFC: New York State Tax Warrant, filed August 28, 2011, Filing No. 002907928, in the amount of $469.00. As of the date of this Notice, AFC's corporate status remains unchanged and AFC's federal tax lien has not yet been paid or otherwise resolved.

V. CONCLUSION

The Commission is vested with broad discretion to determine fitness in regard to employees of licensees and to grant authorizations necessary for operation in the trade waste industry, and to deny approval for any applicant whom it determines to be lacking in good character, honesty and integrity. The record as detailed above demonstrates that Coppola falls short of that standard. Accordingly, the Commission finds that Coppola, who had previously applied for employment as a sales representative for an entity licensed by the Commission, lacks good character, honesty and integrity.

Dated: November 20, 2014

THE BUSINESS INTEGRITY COMMISSION

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Department of Consumer Affairs

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