

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
ATTORNEY FOR PLAINTIFF
BY: MALLORY SHANAHAN, ID# 014602012
DEPUTY ATTORNEY GENERAL
DIVISION OF CRIMINAL JUSTICE
OFFICE OF PUBLIC INTEGRITY AND ACCOUNTABILITY
P.O. BOX 085
TRENTON, NEW JERSEY 08625-0085
(609) 376-2283

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - MERCER COUNTY
DOCKET NO. MER-L-

	:	
STATE OF NEW JERSEY,	:	
Plaintiff,	:	<u>CIVIL ACTION</u>
v.	:	VERIFIED COMPLAINT IN LIEU OF
	:	PREROGATIVE WRIT SEEKING
FRANK GILLIAM,	:	FORFEITURE OF PUBLIC OFFICE AND
Defendant.	:	POSITION
	:	

The State of New Jersey, by Gurbir S. Grewal, the Attorney General of New Jersey, for its complaint in lieu of prerogative writ against defendant Frank Gilliam, seeking to declare (1) that defendant has forfeited holding any public position held by him under the government of this State or any of its administrative or political subdivisions, including the public position he currently holds as Mayor of Atlantic City, alleges as follows:

1. Between in or about January 2009 to in or about December 2017, Frank Gilliam served as a member of the Atlantic City Council, in Atlantic City, New Jersey. In or about January

2018, Frank Gilliam became the Mayor of Atlantic City.

2. The positions held by defendant as alleged in Paragraph One are positions of public office or employment within the meaning of N.J.S.A. 2C:51-2.

3. On October 3, 2019, the defendant pleaded guilty to Federal Information No. 19-719 (JHR), charging him with one count of Wire Fraud, in violation of 18 U.S.C. 1343. The Federal Information alleged that defendant devised a scheme by the use of interstate wire transmissions, to obtain donations to the non-profit corporation AC Starz under the false pretense that funds would be used for the benefit of a youth basketball team and school supplies for underprivileged children. In truth, the funds raised by the defendant for the AC Starz Youth Basketball Team were used by defendant Frank Gilliam primarily to pay for personal expenses unrelated to the team or the purchase of school supplies.

4. Defendant pled guilty to a single count of Wire Fraud in violation of 18 U.S.C. 1343, and has agreed to pay full restitution for all losses resulting from the criminal activity underlying the charge in the Information in the amount of \$87,215.

5. As alleged by the United States in the Federal Information, in or about 2011, the defendant incorporated a non-profit organization known as AC Starz Basketball Club, for the purpose of operating a youth basketball team. The defendant was a member of the Board of Trustees for AC Starz, and was a

signatory on the bank account held by the non-profit.

6. AC Starz was funded through fees paid by the families of the youth basketball players, and by donations solicited by the defendant for the purpose of funding the youth basketball team and/or school supplies.

7. On several occasions outlined in the Federal Information, the defendant solicited those donations by the use of interstate wire transmissions. During the time period, the defendant collected approximately \$87,215 in donations to AC Starz.

8. The federal investigation found that instead of funding the youth basketball team or school supplies, the defendant used the funds in the AC Starz account primarily to pay for personal expenses unrelated to the youth basketball team. According to the Federal Information, the defendant used the funds for personal items, including luxury designer clothing, expensive meals, and personal trips. At least one purchase of designer clothing totaling \$568.31, was processed through an out of state server by the use of interstate wire transmissions.

9. Copies of: (A) Federal Information No. 19-719 (JHR) filed October 3, 2019; and (B) defendant's plea agreement, dated September 3, 2019, are included as State's Exhibits A and B, respectively. Also enclosed is a copy of two news articles regarding the Defendant's guilty plea, dated October 3, 2019, as Exhibits C and D.

10. N.J.S.A. 2C:51-2a provides that a person holding any public office or position under the government of this State or any political subdivision thereof who is convicted of an offense shall forfeit such office or position if:

(1) He is convicted under the laws of this State of an offense involving dishonesty or of a crime of the third degree or above or under the laws . . . of the United States of an offense or a crime which, if committed in this State, would be such an offense or crime;

N.J.S.A. 2C:51-2b indicates that an order of forfeiture shall be entered pursuant to subsection a:


(2) [u]pon application of the . . . Attorney General, when the forfeiture is based upon a conviction of an offense under the laws . . . of the United States. An order of forfeiture pursuant to this paragraph shall be deemed to have taken effect on the date the person was found guilty by the trier of fact or pled guilty to the offense.

15. The crime for which defendant pleaded guilty constitutes an offense involving dishonesty and is also equivalent to at least a third-degree crime under New Jersey law. Pursuant to N.J.S.A. 2C:51-2a(1) and -2b(2), defendant has thus forfeited any public positions held by him as of October 3, 2019, the day he pleaded guilty to the Federal Information.

WHEREFORE, the State demands judgment against defendant declaring that because of his federal conviction he has forfeited any public position he holds, including his current position as Mayor of Atlantic City, that he may no longer

exercise the powers and privileges of that position, and that he may no longer receive any compensation or payment of any kind in connection with that position.

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
ATTORNEY FOR PLAINTIFF

BY: 

Mallory Shanahan
Deputy Attorney General

DATED: October 3, 2019

CERTIFICATION

Mallory Shanahan certifies as follows:

1. I am a Deputy Attorney General of the Division of Criminal Justice.
2. On October 3, 2019, defendant pled guilty before U.S. District Judge Joseph Rodriguez to a Federal Information charging him with one count of 18 U.S.C. 1343, Wire Fraud. (Exhibits A, B, C and D).
3. The foregoing statements are true to the best of my knowledge, information, and belief. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



Mallory Shanahan
Deputy Attorney General

DATED: October 3, 2019