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OCTOBER 20, 2010, 3:54 PM ET

Manhattan DA Announces New Unit To Investigate Public Corruption

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By Samuel Rubinfeld

Updated Below

Manhattan District Attorney Cyrus Vance Jr. [announced](#) the formation of a Public Integrity unit devoted to investigating public corruption, including cases of bribery, malfeasance, election fraud and ethics violations.

The new unit is part of an overhaul of the office's Rackets Bureau, which was created in January 1938 and has been responsible for the prosecution of some of New York's most notorious organized crime cases and high-profile corruption cases, including a scheme in 2004 in which [contractors bribed Metropolitan Transit Authority officials](#) in exchange for millions of dollars in contracts.



Brendan McDermid/Reuters

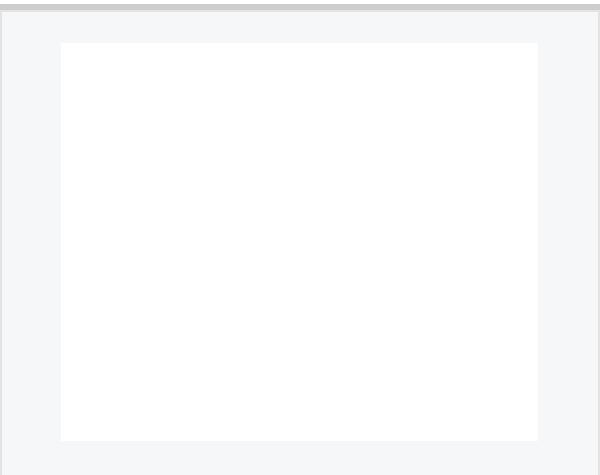
Manhattan District Attorney Cyrus Vance Jr. (C) speaks as Manhattan U.S. Attorney Preet Bharara (L) and Patricia Haynes, Special Agent-in-charge of the New York office of the IRS, Criminal Investigation Division look on during a news conference.

The newly remodeled Rackets Bureau will also bring the Organized Crime and Labor Investigations and Construction Fraud divisions under its umbrella, a spokeswoman said. There won't be any staff increases as a result of the overhaul.

"Self-serving criminal activity among public employees at all levels severely undermines the public's confidence in our government," Vance said in a statement. "The new Public Integrity Unit reaffirms this Office's long tradition of rooting out corruption at all levels."

Vance named Assistant District Attorney Daniel G. Cort as the head of the Public Integrity Unit. He will be responsible for reviewing all corruption cases, with the exception of uniformed officers, who will go through the Official Corruption Unit, the statement said. Cort joined the Manhattan DA office in 1995 and became senior investigative counsel of the Rackets Bureau in 2003.

Nathaniel Burney, a white-collar criminal defense attorney who used to prosecute cases for the Rackets Bureau, said the overhaul was unnecessary because the bureau has already



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been prosecuting public corruption cases for years.

"It's not going to give the DA's office power it didn't already have," he said. "It doesn't make sense to me to do it."

Update: The reorganization is not the DA Office's method to gain power in prosecuting corruption, said Erin Duggan, a spokeswoman. It plans to achieve that, she said, by [pushing a bill](#) through the state legislature giving district attorneys greater power to prosecute public corruption.

That bill, sponsored in the state Senate by current Democratic New York Attorney General nominee Eric Schneiderman, would expand penal law to make bribe offers as punishable as completed bribes and create a new crime called "scheme to defraud the government," among other reforms.

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What's New

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DISTRICT ATTORNEY

DISTRICT ATTORNEY - NEW YORK COUNTY

FOR IMMEDIATE RELEASE
October 20, 2010**CONTACT: Erin Duggan**
212-335-9400**DISTRICT ATTORNEY VANCE ANNOUNCES FORMATION OF PUBLIC INTEGRITY UNIT***New Public Integrity Hotline Will Allow New Yorkers to Easily Report Wrongdoing*

Manhattan District Attorney Cyrus R. Vance, Jr., today announced the formation of the Public Integrity Unit. The new unit will proactively investigate public corruption in government at all levels, including not only bribery and malfeasance by public servants, but also election fraud and criminal violations of state and local ethics laws.

"Self-serving criminal activity among public employees at all levels severely undermines the public's confidence in our government," District Attorney Vance said. "The new Public Integrity Unit reaffirms this Office's long tradition of rooting out corruption at all levels."

The Public Integrity Unit, which is organized within the Rackets Bureau, will oversee a new Public Corruption Hotline, which can be reached at 212-335-8987.

District Attorney Vance also announced the appointment of Assistant District Attorney Daniel G. Cort as the Chief of the Public Integrity Unit. Mr. Cort will be in charge of receiving and evaluating all complaints of public corruption that come to the Office, with the exception of corruption by uniformed officers, which will continue to be the province of the existing Official Corruption Unit. Mr. Cort joined the Office in 1995. He was appointed Senior Investigative Counsel in the Rackets Bureau in 2003, and Deputy Bureau Chief in 2007. During his tenure, Mr. Cort has secured the convictions of numerous defendants, including many lawyers and public servants charged with criminal wrongdoing.

The formation of the Public Integrity Unit is a part of a larger restructuring of the Office's Rackets Bureau. The Rackets Bureau is and has been responsible for some of the Office's most important cases in the areas of organized crime, all manner of public corruption, and other specialized cases. The Bureau, which was created on January 1, 1938, by District Attorney Thomas E. Dewey, will include three units: Public Integrity, Organized Crime, and Labor Investigations and Construction Fraud.

District Attorney Vance also announced the appointment Assistant District Attorney Michael A. Scotto as the Chief of the Rackets Bureau and a Deputy Chief of the Investigation Division. Assistant District Attorney Eric Seidel was appointed the Chief of the Organized Crime Unit and Assistant District Attorney Brenda Fischer was appointed the Chief of the Labor Investigations and Construction Fraud Unit, both within the Rackets Bureau.

Mr. Scotto joined the Office in 1989. In 1994, he joined the former Labor Racketeering Unit, where he was appointed Chief in 2001. Mr. Scotto has prosecuted and supervised numerous complex cases involving corruption and organized criminal activity in labor unions and the New York City construction industry.

Mr. Seidel has been a state and federal prosecutor for more than 32 years. He joined the Office in 1999, and was named Chief of the Rackets Bureau in 2008 after having previously served as Deputy Chief. Throughout his long career, Mr. Seidel has investigated and tried numerous organized crime, homicide, narcotics, fraud, terrorism and public corruption cases on the state and federal level.

Ms. Fischer joined the Office in 1996 and successfully prosecuted a variety of street crimes, including assaults, burglaries and pattern robberies. She was appointed Deputy Unit Chief of the Labor Racketeering Unit in 2009. Ms. Fischer has investigated and prosecuted widespread money laundering and tax evasion by contractors and subcontractors in the construction industry, as well as corrupt enterprises and labor unions.

The unified Rackets Bureau will be located at One Hogan Place.



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