



# Department of Justice

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## **FORMER CONGRESSIONAL CHIEF OF STAFF PLEADS GUILTY TO HONEST SERVICES FRAUD CONSPIRACY**

WASHINGTON – Russell James Caso, Jr., 34, of Rockville, Md., a former Chief of Staff to a Member of the U.S. House of Representatives (Representative A), pleaded guilty today to conspiracy to commit honest services wire fraud, the Justice Department announced today.

Caso's guilty plea was taken before U.S. District Judge Henry H. Kennedy, Jr. Caso faces up to five years in prison and a fine of \$250,000. A sentencing date has not been set.

According to the evidence presented by the government at today's plea hearing, Caso served as a Chief of Staff from 2005 until 2007. His guilty plea stems from his relationship with a firm (Firm A) that had a stated mission of helping American businesses to operate in Russia and facilitating the flow of trade between the United States and Russia.

Firm A sought to submit its proposals to various Executive Branch agencies seeking federal funding for these efforts. Firm A's General Secretary met frequently with and sought official action from Caso, Representative A, and Representative A's staff, including their assistance in obtaining funding for the proposals.

In or about April and May 2005, Firm A's General Secretary paid Caso's wife \$1500 to edit written drafts of its proposals.

After being paid for editing the proposals, Caso's wife received and deposited three more checks from Firm A totaling \$17,500: a check dated May 27, 2005, in the amount of \$2,500; a check dated July 21, 2005, in the amount of \$10,000; and a check dated Aug. 25, 2005, in the amount of \$5,000. Caso knew that his wife did very little additional work in return for this money, and that the market value of the additional work that his wife ultimately performed for Firm A was far below \$17,500.

In the middle of 2005, roughly contemporaneous with the payments that his wife was receiving from Firm A, Caso organized meetings in which Representative A and Caso made presentations to various Executive Branch agencies, including to high-level officials in the Departments of State and Energy and the National Security Council. Representative A and Caso argued that Firm A's proposals should be federally funded.

As Representative A's Chief of Staff, Caso was required to submit annual financial disclosure statements, listing, among other things, the source of any income earned by his wife. On the disclosure statement for 2005, Caso intentionally failed to disclose that his wife received any payments from Firm A, even though he knew that he was required to do so. One reason for

this non-disclosure was that Caso knew that his wife's financial relationship with Firm A created a personal conflict of interest because Firm A was seeking his help to obtain federal funding.

Caso is cooperating with the Justice Department's ongoing investigation.

In announcing today's guilty plea, U.S. Attorney Jeffrey A. Taylor, the Justice Department, Federal Bureau of Investigation, and Internal Revenue Service thanked FBI Special Agents Robert Schwinger, Julie Shields, and Michelle Rankin, and IRS Special Agent Randolph Gregory for the outstanding work that they performed on the case. They also praised the efforts of the prosecutors assigned to the case: Assistant U.S. Attorney Howard Sklamberg and former Assistant U.S. Attorney Jeannie Rhee, DOJ Trial Attorneys Jennifer Shasky Calvery and Gregory C.J. Lisa of the Justice Department's Organized Crime & Racketeering Section, Trial Attorney Armando O. Bonilla and former Trial Attorney Natasha Tidwell of the Justice Department's Public Integrity Section.

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