



Department of Justice

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**FORMER REPRESENTATIVE OF BACKFILL SUBCONTRACTOR
SENTENCED TO 33 MONTHS IN JAIL FOR KICKBACK AND FRAUD SCHEME**

WASHINGTON — A former subcontractor representative was sentenced today to serve 33 months in jail and to pay a \$30,000 criminal fine for his role in a kickback and fraud conspiracy at a U.S. Environmental Protection Agency (EPA) Superfund site in New Jersey, the Department of Justice announced.

James E. Haas Jr., a former representative of a New Jersey subcontractor that provides common backfill, a type of soil material used to refill an excavation, was also ordered to pay \$53,049 in restitution to the EPA. Haas pleaded guilty on Oct. 28, 2009, in the U.S. District Court of New Jersey, to an indictment filed on Aug. 31, 2009, charging that he engaged in a kickback and fraud conspiracy at the Federal Creosote Superfund site, located in Manville, N.J. Haas admitted to paying kickbacks to former employees of a prime contractor at Federal Creosote in exchange for the award of a subcontract to the company he represented. He also admitted to inflating bid prices for the subcontract to include the amount of the kickbacks paid to his co-conspirators. Haas also pleaded guilty to committing fraud against the United States.

The clean-up at the Federal Creosote site is partly funded by the EPA. Under an interagency agreement between the EPA and the Army Corps of Engineers, prime contractors oversaw the removal, treatment and disposal of contaminated soil, as well as other operations at the Federal Creosote site.

The charges are the result of an ongoing investigation being conducted by the Antitrust Division's New York Field Office, the EPA Office of Inspector General and the Internal Revenue Service Criminal Investigation. To date, a total of three companies and eight individuals have pleaded guilty as part of the investigation. Bennett Environmental Inc. was sentenced on Dec. 15, 2008, to pay criminal fines and restitution totaling more than \$2.66 million. On July 13, 2009, Christopher Tranchina was sentenced to serve 20 months in jail and to pay restitution totaling \$154,597. Frederick Landgraber was sentenced on Oct. 28, 2009 to five months in jail and five months in home confinement, and to pay restitution of \$35,000. The other individuals and companies are awaiting sentencing.

Today's sentencing reflects the department's commitment to protecting U.S. taxpayers from procurement fraud through its creation of the National Procurement Fraud Task Force. The National Procurement Fraud Initiative, announced in October 2006, is designed to promote the

early detection, prosecution and prevention of procurement fraud associated with the increase in contracting activity for national security and other government programs.

Anyone with information concerning bid rigging, kickbacks, tax offenses or fraud relating to subcontracts awarded at the Federal Creosote site or Diamond Alkali Superfund Site in Newark, N.J., should contact the Antitrust Division's New York Field Office at 212-264-9308 or visit <http://www.justice.gov/atr/contact/newcase.htm>.

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