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Former New York state labor commissioner accused of taking bribes

A former head of the state Labor Department was indicted Tuesday for allegedly accepting bribes in return for directing federal grant money to a friend's driver-education companies.

James McGowan was appointed by Gov. George Pataki in 1998 and resigned in 2000. The indictment alleges he took money before and during his term in office from John Segreti, owner of National Traffic Safety Institute Corp. and related companies.

The money was paid "to influence and reward" McGowan for things he did in office and things he promised to do, said prosecutor Cynthia Dunne.

The indictment charged Segreti with bribery, mail fraud and conspiracy. McGowan, 65, was charged with those offenses, as well as with failing to report income on tax returns from 1995 through 1999 and other crimes.

Pataki spokesman Michael McKeon said, "If this is true, they should throw the book at him (McGowan)."

Though the alleged crimes carry prison terms totaling up to 53 years, federal sentencing guidelines would normally result in a much shorter term on conviction.

McGowan's attorney, Ronald Rubinstein, said he was disappointed by the indictment "because I have already shown them that their allegations are unfounded."

Segreti's attorney, Steve Mintz, said he had not seen the indictment and could not comment.

The indictment does not say how much was allegedly paid in bribes. Rubinstein said prosecutors told him the amounts totaled "less than \$13,000."