



CELEBRITIES

Lori Loughlin, Mossimo Giannulli officially plead guilty in college scandal via Zoom, await fate

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After asserting their innocence for more than a year, actress Lori Loughlin and her fashion designer husband, Mossimo Giannulli, reversed course Friday, formally pleading guilty in federal court to conspiracy charges in the nation's college admissions scandal.

At a hearing in Boston conducted via Zoom, U.S. District Judge Nathaniel Gorton heard the proposed deal under which the celebrity couple each pleaded guilty to one count of conspiracy to commit wire fraud and mail fraud, in separate agreements with federal prosecutors. Gorton will decide whether to accept or reject the plea deals after further consideration of the pre-sentencing report.

Neither was present in court; they dialed in remotely from their California home due to the coronavirus pandemic. Giannulli appeared in a suit alongside his lawyer and was seated in front of a curtained window. Loughlin, who called in separately with her lawyer, wore a dark green, high-collared ensemble and was seated in front of a tall brown cupboard.

The remote proceedings, which included more than 100 people via phone and more than 200 via video, created some technological issues. Gorton had to remind Loughlin and Giannulli on multiple occasions to un-mute themselves on the Zoom call in order for others to hear them answer questions. The judge also had to remind other participants to mute themselves in order to reduce feedback. Gorton had some difficulties with the mute button himself. "You're on mute, your honor," someone said to him during the hearing.

If the couple's sentences from their deals are accepted, Loughlin will serve two months in prison, pay a fine of \$150,000, serve two years of supervised release and undertake 100 hours of community service.

Giannulli would serve five months in prison, pay a \$250,000 fine and have two years of supervised release with 250 hours of community service.

Giannulli's sentencing hearing is set for Friday August 21 at 11 a.m. and Loughlin's is set for 2:30 p.m. the same day. Giannulli's lawyer requested the hearing be moved up to July 30, explaining that the judge will not accept the plea until the time the pre-sentence report is created. The judge declined his request at this time.

"Our probation office is going through a unique period right now, so the court has generally granted them longer time than usual," Gorton stated. "If they do make the report available to be at an earlier time, I will let counsel know whether to accept or reject ... I will try to notify your client ... as to my decision as to whether or not to accept the plea."

Loughlin and Giannulli were accused of paying \$500,000 in bribes to the mastermind of a nationwide admissions scheme, Rick Singer, to get their two daughters, Olivia Jade Giannulli and Isabella Giannulli, accepted into the University of Southern California as fake crew recruits.

As part of the scheme, prosecutors alleged, Loughlin and Giannulli sent fake crew recruiting profiles to Singer that included concocted credentials, medals and even photos of one of their daughters on a rowing machine. Neither daughter is currently enrolled at USC.

Los Angeles defense attorney Lara Yeretsian, who has been following the case, said the couple's deals differed in one respect from that of other defendants: In those cases, judges determined the sentences; here, she said, Judge Gorton could either accept or reject the deals.

"The college admissions saga is finally winding down with its most interesting figures finally caving," Yeretsian said.

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Loughlin and Giannulli are the 33rd and 34th defendants to plead guilty out of 53 charged in March 2019 in the sprawling "Varsity Blues" scandal that also includes actress Felicity Huffman and a who's who of wealthy investors, attorneys, developers and other parent defendants.

Huffman, an Oscar-nominated actress and former star of "Desperate Housewives," pleaded guilty soon after the charges were announced last year. She was sentenced to two weeks in prison in September for paying \$15,000 to have her daughter's SAT exam corrected to inflate her score. Huffman was released from a federal prison in California after 11 days.

Loughlin, 55, the former "Full House" star, and Giannulli, 56, whose fashion line, Mossimo, was popular at Target, held out longer than all but a dozen of defendants, seeking a trial on the original charges. That trial had been scheduled to begin in October.

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In October 2019 prosecutors added bribery charges against the couple and other parents who had asserted their innocence, which raised the prospect for potentially longer prison sentences if they were convicted at a trial.

Under the plea agreement, neither Loughlin nor Giannulli pleaded guilty to the bribery and money laundering charges.

From the beginning, the couple's legal team mounted a vigorous defense seeking dismissal of the charges, arguing Loughlin and Giannulli believed they were making "legitimate donations" to USC, not bribing college officials.

They also argued that prosecutors failed to timely turn over to the defense some evidence, pointing to notes that Singer, a college consultant from Newport Beach, California, made on his iPhone after discussions he had with FBI investigators about recorded phone calls they directed him to make to parents who were his clients.

Singer, who was cooperating with the FBI, wrote that agents told him to lie to get his clients to restate they were making bribes to college officials – counter to what he claimed he actually told them before they paid him to get their children into college.

Gorton wrote in April that Singer's allegations were "serious and disturbing," but he denied the couple's motion to dismiss the case on May 8.

That ruling set the stage for the plea agreements, says former federal prosecutor-turned-Los Angeles trial lawyer Neema Rahmani. The couple's defense – that there could be legitimate reasons to send fake pictures of their daughters on rowing machines – amounted to a "sham," he said.

"A jury would have... rejected that very weak argument if they actually took the case to trial," he said.

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He explained the disparity in their sentences as likely the result of Giannulli accepting more responsibility to partially exonerate Loughlin.

"He should have done that months ago," Rahmani said. "Had Giannulli done so, he may have been able to avoid prison time for his wife altogether.

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Guilty pleas could make it harder for Loughlin to win back her previous popularity as an entertainer even if people empathize with her motives, says crisis manager Ronn Torossian, CEO of 5W Public Relations.

"From this point on (the plea agreements) will have a pretty bad effect on her future as a celebrity," Torossian said. "She and her husband might have lost the public trust forever."

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