

IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF ARKANSAS
FAYETTEVILLE DIVISION

UNITED STATES OF AMERICA)	
)	
v.)	CRIMINAL NO. <u>5:17CR50001-001</u>
)	
MICAH NEAL)	18 U.S.C. § 1349
)	(Conspiracy to Commit Honest Services
)	Mail and Wire Fraud)

INFORMATION

The United States of America charges that:

GENERAL ALLEGATIONS

1. Unless otherwise specified, at all times material to this Information:

2. Defendant MICAH NEAL has served as a Representative in the Arkansas House of Representatives from 2013 to the present. As a member of the Arkansas House of Representatives, NEAL represented District 89 of the State of Arkansas, which includes parts of Washington County in the Western District of Arkansas, Fayetteville Division. As a Representative in the Arkansas House of Representatives, NEAL had responsibility and authority to, among other things, draft and vote on proposed bills and legislation, and to appropriate government monies including funds from the State of Arkansas’s General Improvement Fund (GIF).

3. “Senator A” has served as a Senator in the Arkansas Senate from 2013 to the present. Prior to his service in the Arkansas Senate, Senator A served as a Representative in the Arkansas House of Representatives from 2007 until 2012.

4. “Entity A” was a non-profit corporation, with an address in the Western District of Arkansas, Fayetteville Division, that purportedly sought to create manufacturing jobs in

northwest Arkansas, specifically for a specialized workforce including disabled veterans, disadvantaged youth, and individuals recovering from substance abuse.

5. “Entity B” was a non-profit corporation operating a college located in Springdale, Arkansas, in the Western District of Arkansas.

6. The Northwest Arkansas Economic Development District (NWAEDD) was a non-profit corporation with offices in Harrison, Arkansas, in the Western District of Arkansas. Pursuant to Act 118 of 1969, as amended, the Arkansas General Assembly established a program for financial assistance to the NWAEDD and seven other economic development districts, with certain counties designated within each district. The NWAEDD consists of Benton, Washington, Madison, Carroll, Boone, Newton, Marion, Searcy, and Baxter counties, all of which are located in the Western District of Arkansas. According to statute, the operations of the NWAEDD and the other economic development districts are solely within the discretion and control of the local governing boards of directors of the respective districts.

7. At all times relevant to this Information, NEAL and Senator A, acting in their official capacity as members of the Arkansas General Assembly, directed, authorized, and approved the award of GIF grants by the NWAEDD to eligible organizations or entities. Likewise, the NWAEDD awarded GIF grants from GIF money appropriated by NEAL and Senator A only at the direction of, and with the approval and authorization of, NEAL and Senator A.

COUNT ONE
18 U.S.C. § 1349

Conspiracy to Commit Honest Services Mail and Wire Fraud

8. Paragraphs 1 to 7 of this Information are incorporated here by reference.

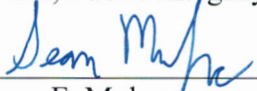
9. From about January 2013 through about January 2015, in the Western District of Arkansas and elsewhere, defendant

MICAH NEAL,

did conspire with Senator A and others known and unknown to devise a scheme and artifice to defraud and deprive the State of Arkansas and its citizens of their intangible right to honest services through bribery and kickbacks, that is, NEAL and Senator A, as legislators of the Arkansas General Assembly, agreed to, and did, take official action and use their official positions to direct and authorize GIF money, which NEAL and Senator A had approved legislatively for appropriation, to Entity A and Entity B in exchange for kickback payments; and, for the purpose of executing such scheme and artifice, and attempting so to do, sent and caused to be sent a matter and thing by mail, and transmitted and caused to be transmitted a writing, sign, signal, picture, and sound by wire communication in interstate commerce, including, but not limited to, emails by NEAL and others sent to the Director of the NWAEDD to authorize and facilitate the payments of the GIF money, interstate wire communications and signals whereby GIF funds involved in the scheme were settled between financial institutions, and mailings of GIF grant applications, grant agreements, award letters, and checks to and/or from the NWAEDD offices in Harrison, Arkansas in violation of 18 U.S.C. §§ 1341, 1343, and 1346.

All in violation of Title 18, United States Code, Section 1349.

Raymond Hulser
Chief, Public Integrity Section



Sean F. Mulryne
Trial Attorney
United States Department of Justice
Criminal Division / Public Integrity Section



Kenneth Elser
United States Attorney
Western District of Arkansas