

Department of Justice

United States Attorney's Office Western District of Michigan

FOR IMMEDIATE RELEASE WEDNESDAY, MAY 15, 2019 www.justice.gov/usao/miw/index.html CONTACT: BREANE WARNER PHONE: (616) 808-2064

STATE REPRESENTATIVE LARRY INMAN INDICTED

The federal grand jury alleges Inman attempted to sell his vote on the repeal of the state's prevailing wage law last June and later lied to the FBI

GRAND RAPIDS: United States Attorney Andrew Birge announced today that a federal grand jury charged Larry Charles Inman, of Grand Traverse County, with three crimes: attempted extortion, bribery and lying to an agent of the FBI. Inman is the elected legislator in the Michigan House of Representatives representing the 104th District in the State of Michigan.

Specifically, Inman is accused of soliciting money via text messages he sent between June 3-5, 2018, to a labor union, the Michigan Regional Council of Carpenters and Millwrights (MRCCM), in exchange for voting "no" on the 2018 legislative initiative petition to repeal Michigan's prevailing wage law. The MRCCM did not respond as Inman allegedly requested. Inman ultimately voted "yes" on June 6, 2018, to repeal the law, and the Michigan House repealed the law by a vote of 56 to 53. The indictment includes the text messages allegedly from Inman to union representatives in the days before the vote, one of which Inman concludes by stating "we never had this discussion."

The grand jury alleges that Inman committed the crime of attempted extortion by using his authority as an elected representative, namely his authority to vote on the petition to repeal the prevailing wage law, to seek to obtain money from the MRCCM with the union's consent. If convicted of this offense, Inman faces up to twenty years in prison.

The grand jury also alleges Inman solicited a bribe by corruptly soliciting a political campaign contribution of money in exchange for something worth \$5,000 or more, namely his vote on the petition to repeal the prevailing wage law. If convicted of this offense, Inman faces up to ten years in prison.

The grand jury further alleges that, when an FBI agent later asked Inman about his solicitation, Inman knowingly made a false statement to the agent denying he had any such communications. If he is convicted of this offense, Inman faces up to five years in prison.

The Lansing office of the FBI is investigating this case. The names of those not accused of a crime, such as witnesses, are redacted from the indictment. And the public is reminded that an indictment contains only charges and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt. A date for Inman's arraignment has not yet been scheduled.

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

UNITED STATES OF AMERICA,

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v.

LARRY CHARLES INMAN,

INDICTMENT

Defendant.	

The Grand Jury charges:

General Allegations

At all times material to this Indictment:

- 1. The Defendant, LARRY CHARLES INMAN, was an elected representative in the Michigan House of Representatives representing the 104th District in the State of Michigan. The Defendant maintained a legislative office in Ingham County, Michigan.
- 2. The Defendant's political candidate committee, Larry Inman for State Representative, was formed in August 2013 and was an active candidate committee registered with the Michigan Secretary of State. The committee's registered address with the State of Michigan was in Williamsburg, Michigan, and its Treasurer and registered bank account were located in Traverse City, Michigan.
- 3. The Michigan Constitution provides a mechanism for registered voters in the state to enact or repeal laws by ballot initiative. In 2017, a petition for the initiation of legislation to repeal Michigan's Public Act 166 of 1965, popularly known

as Michigan's "prevailing wage" law, was circulated. The prevailing wage law regulated the terms and conditions of pay and benefits for workers on state construction projects.

- 4. The Michigan Regional Council of Carpenters and Millwrights ("MRCCM") was a labor union headquartered in Warren, Michigan, that represented the interests of various carpenters across the state. Between October 2017 and May 16, 2018, MRCCM's political action committee made political contributions to the Defendant's candidate committee totaling \$6,000.
- 5. On or about June 1, 2018, the Michigan Board of State Canvassers certified the prevailing wage initiative petition and delivered it to the Michigan legislature. If the Michigan legislature did not adopt the initiative, the proposal would appear on the ballot in the November 6, 2018, statewide general election.
- 6. On or about June 3, 2018, the Defendant sent a text message to Person A, a representative of MRCCM, which stated:

"Hi [Person A], I hear the prevailing wage vote may be on Wenesday. In my opinion, We all need some more help! Carpenters have been good to me, where are the rest of the trades on checks? We only have 12, people to block it. You said all 12 will get \$30,000 each to help there campaigns. That did not happen, we will get a ton of pressure on this vote. [Person B and Person C] will go to the longest neck hold on this one. I have heard most got \$5,000, not \$30,000. Its not worth losing assignments and staff for \$5,000, in the end. They will give you the check back. I am not sure you can hold 12 people for the only help of \$5,000. My suggestion is you need to get people maxed out, on Tuesday, I will do my best to hold. [Person C] will pull assignments for next term on this vote. You have no idea the pressure on this one for [Person B's statel race, to pull this off for the tea party. People will not go down for \$5,000, not that we don't appreciate it. Please get with the all the trades by Monday, I would suggest maxing out on all

12, or at least doubling what you have given them on Tuesday, asap, we never had this discussion, Larry"

7. On or about June 3, 2018, the Defendant sent a text message to Person D, a lobbyist in Lansing, Michigan, who was retained by MRCCM to assist it with preserving the prevailing wage law, which stated:

We all need some more help! Carpenters have been good to me, where are the rest of the trades on checks? We only have 12, people to block it. [Person A] said all 12 will get \$30,000 each to help there campaigns That did not happen, we will get a ton of pressure on that vote, [Person B and Person C] will go to the longest neck hold on this one. I have heard most got \$5,000, not \$30,000. Its not worth losing assignments and staff for \$5,000, in the end. They will give you the check back. I am not sure you can hold 12 people for the only help of \$5,000. My suggestion is you need to get people maxed out, on Tuesday, I will do my best to hold. [Person C] will pull assignments for next term on this vote. You have no idea the pressure on this one for [Person B's state] race, to pull this off. People will not go down for \$5,000, not that we don't appreciate it. Get with the all the trades by Monday, I would suggest doubling what you given on Tuesday, asap, we never had this discussion, get with [Person A]. L"

8. On or about June 4, 2018, the Defendant sent a text message to Person A, the MRCCM representative:

"I will text you tomorrow to make sure we have a solid 12 no votes to block prevailing wage , Larry"

9. On or about June 5, 2018, the Defendant sent a text message to Person A, the MRCCM representative, which stated:

"Hi [Person A], how are you! I have Breakfast event on Wed morning at Karobe , Governors room , 7:30am to 9am , hope you can make it :) and see if there are checks you can get ,thanks! Larry Inman"

- 10. MRCCM provided no additional campaign contributions to the Defendant's candidate committee after receiving Defendant's text message on June 3, 2018.
- 11. On or about June 6, 2018, the Michigan House of Representatives voted on the 2018 legislative initiative petition to repeal the state's prevailing wage law. The House voted 56 to 53 to repeal the law. The Defendant cast a "Yes" vote, which was a vote to repeal the law. The Michigan Senate also voted to repeal the law, and Michigan's "prevailing wage" law was repealed.

$\frac{COUNT~1}{(Attempted~Extortion~Under~Color~of~Official~Right)}$

- 12. Paragraphs 1 through 11 of the General Allegations are re-alleged and incorporated as though fully set forth herein.
- 13. At all times relevant to this indictment, the operations of the MRCCM affected interstate commerce.
- 14. Between on or about June 3, 2018, and June 5, 2018, in the Southern Division of the Western District of Michigan,

LARRY CHARLES INMAN,

an elected Representative in the State of Michigan House of Representatives, attempted to obstruct, delay, and affect commerce by unlawfully seeking to obtain property from the MRCCM, with its consent, under color of official right.

15. Specifically, the Defendant unlawfully solicited from the MRCCM a political campaign contribution of money in exchange for the official act of voting "No" on the 2018 legislative initiative petition to repeal Michigan's prevailing wage law in the Michigan House of Representatives.

18 U.S.C. § 1951

<u>COUNT 2</u> (Solicitation of a Bribe)

- 16. Paragraphs 1 through 11 of the General Allegations are re-alleged and incorporated as though fully set forth herein.
- 17. Between on or about June 3, 2018, and June 5, 2018, in the Southern Division of the Western District of Michigan,

LARRY CHARLES INMAN,

being an agent of a State government that received benefits in excess of \$10,000 under a Federal program involving a grant or other form of Federal assistance during the year 2018, that is, an elected Representative in the State of Michigan House of Representatives, did corruptly solicit and demand a thing of value, namely, a political campaign contribution of money from the MRCCM, intending to be influenced and rewarded in connection with a business and transaction of the State of Michigan involving a thing of value of \$5,000 or more, namely, his vote in the Michigan House of Representatives on the 2018 legislative initiative petition to repeal Michigan's prevailing wage law.

18 U.S.C. § 666(a)(1)(B)

COUNT 3

(False Statement to the FBI)

18. Paragraphs 1 through 11 of the General Allegations are re-alleged and

incorporated as though fully set forth herein.

19. On or about August 1, 2018, in the Southern Division of the Western

District of Michigan,

LARRY CHARLES INMAN

did knowingly and willfully make a materially false, fictitious, and fraudulent

statement in a matter within the jurisdiction of the executive branch of the

Government of the United States of America, as follows:

When a special agent of the Federal Bureau of Investigation asked the

Defendant if he had communicated with Person A or the MRCCM for the purpose of

soliciting campaign contributions before casting his vote on the June 2018 legislative

initiative petition to repeal Michigan's prevailing wage law in the Michigan House of

Representatives, the Defendant denied having any such communications and

specifically denied soliciting \$30,000 from Person A.

18 U.S.C. § 1001(a)(2)

A TRUE BILL

GRAND JURY FOREPERSON

Robert K Sillespie

ANDREW BYERLY BIRGE

United States Attorney

CHRISTOPHER M. O'CONNOR

Assistant United States Attorney