

Crime In The Suites

An Analysis of Current Issues in White Collar Defense



Honest Services Fraud — Still Alive and Kicking?

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We wrote recently that the very recent Supreme Court decision in *United States v. Skilling,* limiting the reach of the federal "honest services" statute, may have an immediate impact on the ongoing case against Kevin A. Ring, a former associate of Jack Abramoff. See "Skilling Having Impact on Pending Honest Services Fraud Cases," July 28, 2010.

But last week, U.S. District Judge Ellen Segal Huvelle gave prosecutors more leeway than some had expected in their pursuit of political corruption charges against Ring. Ring's attorneys at Miller & Chevalier had argued vociferously for a judgment of acquittal on the grounds that *Skilling* had limited the application of the "honest services" statute to an actual bribery or kickback scheme that involves a misrepresentation to the public.

But Judge Huvelle rejected the contention that prosecutors now need to prove a quid pro quo bribery arrangement. She said it would be enough for the Department of Justice to bring sufficient evidence that would permit a jury to "infer" that bribery occurred. Ring has been charged with providing tickets, restaurant meals, and other gifts to members of Congress and other officials, allegedly in exchange for "official" favors.

Ring was tried last year on the charges, but the trial ended in a hung jury. Judge Huvelle's decision last week permits prosecutors to try again.

Judge Huvelle's ruling is one of the first to interpret *Skilling*, and she chose a pro-prosecution path. Of course, all that she did is to permit the case to go





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ahead to a possible second trial. But this is at least one bit of data that should caution defense attorneys that even after *Skilling*, there may still be room for prosecutors to pursue charges of political corruption if they can create inferences that bribery or kickbacks have taken place.

The Main Justice website has been covering this case extensively. See its posting on the

Crime in the Suites is authored by the <u>Ifrah Law Firm</u>, a Washington DC-based law firm specializing in the defense of government investigations and litigation. Our client base spans many regulated industries, particularly e-business, e-commerce, government contracts, gaming and healthcare.

The commentary and cases included in this blog are contributed by Jeff Ifrah and firm associates Rachel Hirsch, Jeff Hamlin, Steven Eichorn and Sarah Coffey. These posts are edited by Jeff Ifrah and Jonathan Groner, the former managing editor of the Legal Times. We look forward to hearing your thoughts and comments!