

STATE OF MARYLAND

*

IN THE

V.

*

CIRCUIT COURT FOR

RICHARD K. IMPALLARIA

*

ANNE ARUNDEL COUNTY

Defendant

*

CASE NO.:

* * * * *

CRIMINAL INFORMATION

THE STATE PROSECUTOR for the State of Maryland informs and charges the Defendant, RICHARD K. IMPALLARIA, with having committed the following offenses:

INTRODUCTION AND BACKGROUND:

At all times relevant to this Information:

1. Richard Kevin IMPALLARIA (“IMPALLARIA”) has served as a duly elected member of the Maryland House of Delegates (“the House”) of the Maryland General Assembly (“General Assembly”), representing portions of Baltimore and Harford Counties in the 7th legislative district, since 2002, and was most recently re-elected to a four year term in 2018.

2. Each member of the General Assembly is allocated a district office expense allowance from funds appropriated in the annual budget for the legislative branch. The annual budget and district office funds are administered by the Department of Legislative Services in Annapolis, Anne Arundel County, MD.

3. Use of the district office allowance is governed by the “Guidelines for Compensation and Expenses for Legislators (“the Guidelines”). Members may use the allowance to maintain an office in their district and for related approved expenses, including supplies, approved furniture, and equipment. Members may not use the allowance for any non-legislative purpose, including campaign related expenses or personal expenses.

4. In addition to complying with the Guidelines, use of the district office allowance must also comply with all applicable ethics rules. Ethics rules provide that a member of the General

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Assembly may not intentionally use the prestige of office or public position for the official's private gain or that of another. Additionally, a member of the General Assembly may not use public resources to solicit a political contribution.

5. The fiscal year for the General Assembly begins on July 1st and ends on June 30th. If members do not use all the allotted funds in the district office expense allowance by the end of the fiscal year, those remaining funds are returned to the General Assembly and are no longer available for use by the member.

DISTRICT OFFICE RENTAL

6. A member's district office allowance can be used for rent only in compliance with the Guidelines. The Guidelines require that a legislator's district office must be within the member's district unless the presiding officer authorizes an exception. An explanation as to why the location is outside of the district must be provided to the presiding officer prior to authorization. The office must be used principally for legislative purposes. A member may not receive payment of rent as a landlord of the property. Additionally, a member may not receive payment of rent for space in that member's private residence, even if that space is used for legislative business.

7. In or around June 2002, IMPALLARIA began renting a personal cottage located at 5 Punte Lane, in Essex, Baltimore County. The cottage is one of seven similarly sized cottages on Punte Lane which are owned by the VK family.

8. As of July 1, 2002, a new legislative district map was approved and Punte Lane moved from the 6th legislative district to the 7th legislative district.

9. On July 2, 2002, IMPALLARIA filed as a candidate for the General Assembly to represent the 7th legislative district.

10. From 2004 through June 2012, IMPALLARIA leased a district office at 1120 Clayton Road, located in the 7th legislative district, with \$600 monthly rental payments issued by the General Assembly.

11. In February 2012, Maryland's legislative election districts were redrawn, moving the cottages on Punte Lane from the 7th legislative district, back to the 6th legislative district. IMPALLARIA's Clayton Road district office remained in the 7th legislative district.

12. On June 1, 2012, IMPALLARIA notified the General Assembly's Fiscal Operations Division that he was terminating his lease for his Clayton Road district office and initiating a lease for a new "district office" at 4 Punte Lane, Baltimore, MD 21221. The new "district office" at 4 Punte Lane was located directly next door to IMPALLARIA's private cottage at 5 Punte Lane, and shared the same owners.

13. At the time that IMPALLARIA initiated the lease and at all times relevant to this information, 4 Punte Lane was located in the 6th legislative district, outside of IMPALLARIA's 7th legislative district. IMPALLARIA was not authorized to seek rental payments from the General Assembly for a district office outside of his district.

14. On June 4, 2012, the General Assembly received an executed lease for 4 Punte Lane, signed by IMPALLARIA and "AK," a member of the VK family and one of the three owners of the property. The lease was drafted and witnessed by "GL," IMPALLARIA's tenured Legislative Aide, who herself was a member of the VK family and one of the owners of the Punte Lane cottages.

15. The 2012 lease provided that the rent that the General Assembly would pay for 4 Punte Lane would be \$700 per month. The \$700 monthly payment, for the "district office" located outside of IMPALLARIA's legislative district, was approximately double the rent charged to any

other tenants on Punte Lane. The prior tenant at 4 Punte Lane, who immediately preceded the “district office,” paid \$300 a month in rent.

16. The General Assembly issued the first rental payment for the Punte Lane “district office” in July 2012. Since that time, IMPALLARIA has continuously renewed his lease and sought payment for a “district office” at 4 Punte Lane, and the General Assembly has continuously made rental payments.

17. In or around March of 2015, the VK family increased the monthly rental rates on six of the seven cottages by \$50 per month. Beginning with the 2016 lease signed by IMPALLARIA, the “district office” rent was raised by \$100 per month. Accordingly, the General Assembly began paying \$800 per month for the “district office” rental at 4 Punte Lane, while all other tenants paid \$350 per month.

18. After December 31, 2019, the lease for 4 Punte Lane converted to a month to month lease, which remains in effect through the filing of this Information.

19. In July 2012, the same month that the General Assembly began paying rent on IMPALLARIA’s “district office” at 4 Punte Lane, and after ten years of monthly rent payments, IMPALLARIA stopped paying rent on his personal cottage at 5 Punte Lane. Although IMPALLARIA continues to maintain his personal cottage at 5 Punte Lane, he has not paid rent since the General Assembly began making rental payments for the 4 Punte Lane “district office” in July of 2012.

20. The rent ledgers maintained by the VK family reflect the following monthly rental values for IMPALLARIA’s personal cottage during the relevant time period: 2012: \$300; 2013-2021: \$400, with the exception of March-December of 2015 where the rental value is noted as being \$350.

21. The rent ledgers further reflect that the monthly payments received from the General Assembly were divided and split between the “district office” rental at 4 Punte Lane and the rental of IMPALLARIA’s personal cottage at 5 Punte Lane.

22. Between July 2012 through and including May 31, 2022, the State of Maryland paid \$92,800 in rent for the “district office” at 4 Punte Lane, which was located outside of IMPALLARIA’s district. During that same time period, IMPALLARIA paid \$0.00 in rent for his neighboring cottage.

23. A search of the “district office” at 4 Punte Lane in September 2021 revealed that it was used to store IMPALLARIA’S personal items, including but not limited to bedroom furniture, folding beds, pellet rifles and ammunition, clothing, building materials, campaign materials, skis, and coolers.

COUNT ONE
(Misconduct in Office—Out of “District Office” Rental)

24. On or about June 1, 2012, through and including May 31, 2022, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA, in violation and perversion of his duties as an elected member of the Maryland General Assembly, did corruptly commit misconduct in office by knowingly, willfully, and intentionally using his position as a delegate to cause the General Assembly of Maryland to issue continuing monthly rent payments using funds of the State of Maryland allocated for the payment of expenses associated with a legislative district office, for a property that IMPALLARIA represented was his “district office,” but was in fact a building located outside of his district, in violation of the Common Law of Maryland and against the peace, government, and dignity of the State.

Common Law
CJIS Code 2-0645
Penalty: Anything not cruel and unusual

COUNT TWO
(Misconduct in Office—Rent Payments)

25. On or about June 1, 2012, through and including September 30, 2021, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA, in violation and perversion of his duties as an elected member of the Maryland General Assembly, did corruptly commit misconduct in office by knowingly, willfully, and intentionally using his position as a delegate to cause the General Assembly of Maryland to issue continuing monthly rent payments using funds of the State of Maryland allocated for the payment of expenses associated with a legislative district office, to his personal landlord, for a “district office” in an amount that was approximately double his personal rent, while paying \$0.00 for his personal rent during the same time period, in violation of the Common Law of Maryland and against the peace, government, and dignity of the State.

Common Law
CJIS Code 2-0645
Penalty: Anything not cruel and unusual

COUNT THREE
(Theft Scheme: \$25,000 to under \$100,000)

26. On or about June 1, 2012, through and including on or about November 30, 2021, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA, did steal \$44,100 from the State of Maryland, in the form of monthly rental payments for his personal cottage at 5 Punte Lane, Baltimore, MD, 21221, having a value of at least \$25,000 but less than \$100,000, in violation of CR 7-104 of the Annotated Code of Maryland and against the peace, government, and dignity of the State.

CR 7-104
CJIS Code 1-1139
Penalty: 10 years and/or \$15,000

COUNT FOUR
(Fraudulent Misappropriation by a Fiduciary)

27. On or about June 1, 2012, through and including on or about May 31, 2022, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA did, being a fiduciary of the General Assembly of Maryland, fraudulently and willfully appropriate to a use not in the due and lawful execution of his trust, \$92,800 of funds of the State of Maryland, in the form of monthly rent payments for 4 Punte Lane, Baltimore, MD 21221, made with money allocated to IMPALLARIA's legislative district office allowance, held by him in his fiduciary capacity, in violation of Criminal Law Article §7-113 and against the peace, government, and dignity of the State.

CR 7-113
CJIS Code 1-2799
Penalty: 5 years

REIMBURSEMENT FROM GENERAL ASSEMBLY FOR FALSE INVOICE

28. Paragraphs 1- 5 are re-alleged and incorporated by reference.

29. In June 2019, IMPALLARIA directed his Chief of Staff to arrange a transaction with a local office supply/copy store ("Vendor 1") whereby Vendor 1 would create an invoice that included items that were not actually ordered, which would subsequently be submitted to the General Assembly for reimbursement.

30. Specifically, IMPALLARIA instructed his Chief of Staff to submit two lists to Vendor 1. One list was to contain office supplies that would actually be ordered. The other list was to contain higher priced office furniture, which would be paid for by IMPALLARIA and reimbursed by the General Assembly, but never actually ordered, thus creating a credit with Vendor 1.

31. On June 25, 2019, pursuant to IMPALLARIA's request, his Chief of Staff emailed Vendor 1 two lists—one containing office items and one containing higher priced furniture. The Chief of

Staff followed up with Vendor 1 via email to confirm that Vendor 1 was “aware of the special circumstances with the first list,“ and then texted Vendor 1 to confirm that the employee working on the order knew that “the first list I sent over is for credit and not to be actual?”

32. On June 21, 2019, IMPALLARIA texted the owner of Vendor 1 a picture of the front and the back of his personal credit card. Vendor 1 subsequently charged IMPALLARIA’s credit card \$3,737.80, of which \$2,405.30 was for the furniture items which were never ordered. As Vendor 1 received payment in full without ordering the furniture, IMPALLARIA was given a store credit of \$2,405.30, reflecting the amount of the overpayment.

33. On July 8, 2019 the General Assembly received a reimbursement expense voucher submitted on behalf of IMPALLARIA, seeking reimbursement for the full amount of the credit card payment to Vendor 1, less sales tax. The request was supported by invoice #59083 from Vendor 1 that included the office supplies that were actually ordered, and the furniture that was not ordered. The invoice reflected a zero balance and was stamped “PAID 6/27/2019.”

34. On July 12, 2019, the General Assembly issued a reimbursement check to IMPALLARIA in the amount of \$3,436.25, which reflected the full amount of the invoice less sales tax and a disallowed pencil sharpener. Thus, IMPALLARIA received \$2,405.30 from the General Assembly for furniture that was never ordered, and also received a \$2,405.30 credit with Vendor 1 for the same items.

35. On or about July 22, 2019, IMPALLARIA deposited the reimbursement check from the General Assembly into his personal bank account.

USE OF STATE FUNDED CREDIT FOR CAMPAIGN MAILERS

36. From on or about October 28, 2019, through and including November 12, 2019, IMPALLARIA worked with Vendor 1 to design and mail two letters for the purpose of soliciting donations to the Friends of Rick Impallaria campaign finance committee. One letter was directed

to business owners and read in pertinent part: *“As you know, elections cost money, and as much as I hate that aspect of campaigning, I am asking for your support...For your convenience, I have included a pre-addressed envelope to submit your donation should you choose to do so.”*

37. The second letter was directed to constituents and read in pertinent part: *“As you well know, campaigns cost money. So please, be as generous as you can. Thank you! Please make checks payable to Friends of Rick Impallaria...”*

38. On November 13, 2019, Vendor 1 emailed IMPALLARIA a copy of invoice # 59465, reflecting the costs associated with the printing and mailing of the two campaign mailers. The invoice did not reflect the prior credit from the unordered furniture.

39. On December 9, 2019 IMPALLARA texted his Chief of Staff, “Can you figure out the credit from [Vendor 1] so I can make sure I’m even with him for the mailer.”

40. On February 9, 2020 IMPALLARIA texted his Chief of Staff, “Can we go Monday morning up to the [Vendor 1] and get that figure out and paid I got another bill from them.”

41. On February 10, 2020, IMPALLARIA and his Chief of Staff met with Vendor 1 to remind Vendor 1 of the credit generated by the unordered furniture in June of 2019 and ensure that the credit would be applied to the invoice for IMPALLARIA’S campaign mailers.

42. On February 14, 2020, Vendor 1 reissued invoice #59465 for work relating to IMPALLARIA’s campaign mailers, applying the credit of \$2,405.30 generated by the false furniture invoice for which the General Assembly fully reimbursed IMPALLARIA, and thereby reducing the balance that the Friends of Rick Impallaria owed from \$4,154.20 to \$1,748.90.

43. On February 14, 2020, IMPALLARIA texted his Chief of Staff, “Check my email looks like we owe [Vendor 1] 1700. We should probably try to take care of it this weekend.”

44. On or about February 21, 2020, the Friends of Rick Impallaria campaign finance committee accepted the credit generated by the unordered furniture and issued payment to Vendor 1 for the outstanding balance of \$1,748.90.

COUNT FIVE

(Misconduct in Office—Use of State Funded Credit for Campaign Mailers)

45. On or about June 11, 2019, through and including on or about February 21, 2020, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA, in violation and perversion of his duties as an elected member of the Maryland General Assembly, did corruptly commit misconduct in office by knowingly, willfully, and intentionally, paying for the production and mailing of fundraising letters on behalf of the Friends of Rick Impallaria campaign finance committee with a \$2,405.30 credit with an office supply company that was created using funds of the State of Maryland allocated for the payment of expenses associated with a legislative district office, in violation of the Common Law of Maryland and against the peace, government, and dignity of the State.

Common Law

CJIS Code 2-0645

Penalty: Anything not cruel and unusual

COUNT SIX

(Theft \$1,500-\$25,000)

46. On or about June 11, 2019, through and including on or about July 22, 2019, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA, did steal approximately \$2,405.30 from the State of Maryland, having a value of at least \$1,500 but less than \$25,000, to wit: caused a purchase order to be created, representing the purchase of office furniture which was never ordered or received, and sought and received reimbursement from the Maryland General Assembly using public funds for those items neither ordered nor received, in violation of CR §

7-104 of the Annotated Code of Maryland and against the peace, government, and dignity of the State.

CR §7-104(b)
CJIS Code 1-1136
Penalty: \$10,000 and/or 5 years

COUNT SEVEN
(Fraudulent Misappropriation by a Fiduciary)

47. On or about June 11, 2019, through and including on or about February 21, 2020, at Anne Arundel County, Maryland, RICHARD K. IMPALLARIA did, being a fiduciary of the General Assembly of Maryland, fraudulently and willfully appropriate to a use not in the due and lawful execution of his trust \$2,405.30 of funds of the State of Maryland allocated for the payment of qualifying expenses associated with a legislative district office, received by him in his fiduciary capacity, in violation of Criminal Law Article §7-113 and against the peace, government, and dignity of the State.

CR §7-113
CJIS Code 1-2799
Penalty: 5 years

Respectfully Submitted,
Charlton T. Howard, III
Maryland State Prosecutor
By:



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REQUEST FOR SUMMONS

PLEASE ISSUE a criminal summons in this case for the Defendant, RICHARD K. IMPALLARIA, 3246 Charles Street, Fallston, MD 21047.


Lindsay E. Bird
Senior Assistant State Prosecutor

IN THE CIRCUIT COURT FOR ANNE ARUNDEL COUNTY

STATE OF MARYLAND

V.

RICHARD K. IMPALLARIA

3246 Charles Street
Fallston, MD 21047
DOB: 11/01/1962

TRACKING NO.: 22-7002-00035-2.

DATE FILED: July 27, 2022

CHARGES:

Common Law: Misconduct in Office

Common Law: Misconduct in Office

Criminal Law Article § 7-104: Theft Scheme \$25,000 to less than \$100,000

Criminal Law Article § 7-113: Fraudulent Misappropriation by a Fiduciary

Criminal Law Article § 7-104: Theft Scheme \$1,000 to less than \$25,000

Criminal Law Article § 7-113: Fraudulent Misappropriation by a Fiduciary

Common Law: Misconduct in Office

Criminal Law Article § 7-104: Theft Scheme \$1,500 to less than \$25,000

Criminal Law Article § 7-113: Fraudulent Misappropriation by a Fiduciary

WITNESSES:

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