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United States Attorney
Eastern District of Arkansas

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FORMER STATE SENATOR PLEADS GUILTY TO MAIL FRAUD

LITTLE ROCK - Patrick C. Harris, Attorney for the United States, Acting Under Authority Conferred by 28 U.S.C. §515, Jack McQuary, Special Prosecutor for the State of Arkansas and Special Assistant United States Attorney, David T. Resch, Special Agent in Charge of the Little Rock Field Office of the Federal Bureau of Investigation, and Colonel William J. Bryant, Director of the Arkansas State Police, announced today that former Arkansas State Senator Paul J. Bookout, age 52, of Jonesboro, Arkansas waived indictment and entered a plea of guilty to a felony information charging him with one count of mail fraud related to a scheme in which Bookout converted contributions for his 2010 and 2012 election campaigns to his personal use and profit. The waiver and plea hearing took place today in Little Rock before Chief District Judge Brian S. Miller.

“In a betrayal of his oath of office and his duty to the citizens of Arkansas, Mr. Bookout violated the integrity of our government and disrespected those he served by selfishly and brazenly spending campaign funds for his personal use,” stated David Shepard, Assistant Special Agent in Charge of the Little Rock FBI, “The FBI will continue to work together with the United States Attorney’s Office and the Arkansas State Police to ensure that all those who participate in political corruption will be held accountable for their actions.

“I appreciate the cooperation of the United States Attorney’s Office, the FBI, and the Arkansas State Police, who assisted in this case in order to effectively bring a resolution to both the State and Federal violations committed by Mr. Bookout,” stated Special Prosecutor Jack McQuary. “State prosecutors will continue to work with our federal counterparts to bring justice to the citizens of the State of Arkansas with regard to public corruption.”

In 2006, Bookout was elected to the Arkansas State Senate, representing Arkansas Senate District 14. In 2011 and 2012, Bookout served as President Pro Tempore of the Arkansas State Senate. He resigned in August 2013. According to the Information filed today, Bookout deposited campaign contributions for his 2010 and 2012 elections into two bank accounts. Between May 2009 and December 2012, campaign donations totaling \$126,500 were deposited into one of those accounts. Between March 2012 and July 2013, campaign donations totaling \$62,750 were deposited into the second account. The Information alleges that between May 2009 and July 2013, Bookout unlawfully made payments totaling \$150,048.12 from those accounts for personal items and expenses, including clothing for Bookout and family members, a sound system installed in Bookout's home, golf clubs, country club pro shop expenses, sporting goods, liquor, household furnishing, tanning sessions, manicures, and travel expenses unrelated to his re-election campaigns.

During his 2010 and 2012 re-election campaigns, Bookout was required to file monthly Campaign Contribution and Expenditure Reports ("CCE reports") with the Arkansas Secretary of State's office in Little Rock to evidence compliance with campaign finance disclosure laws and provide a public record of all contributions and expenditures related to his campaigns. According to the Information, the monthly CCE reports prepared, signed, and filed by Bookout in 2010 and 2012 falsely claimed that the unlawful payments made from his campaign accounts were legitimate campaign related expenses. Additionally, the Information alleges that in filing false CCE reports, Bookout represented to the Secretary of State's Office, the public, and his contributors that all of the claimed expenditures were lawful and related to his campaigns, when in fact they were not. The mail fraud count charged relates to Bookout's mailing of a fraudulent CCE report to the Secretary of State's Office on about December 28, 2012.

The statutory penalty for mail fraud is not more than twenty (20) years imprisonment and a fine of up to \$250,000.

The investigation was conducted by the Federal Bureau of Investigation and the Arkansas State Police. This case was prosecuted in the Eastern District of Arkansas by Assistant United States Attorney Patricia S. Harris and Special Assistant United States Attorney and Special Prosecutor for the State of Arkansas Jack McQuary.

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