PRESS RELEASE

Internal Revenue Service - Criminal Investigation
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Arkansas State Representative Pleads Guilty to Bribe Conspiracy

An Arkansas state representative pleaded guilty today to conspiring to authorize and direct a total of $600,000 in state government funds to two non-profit entities in exchange for tens of thousands of dollars in kickback payments, announced Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division and U.S. Attorney Kenneth Elser of the Western District of Arkansas.

Micah Neal, 42, of Springdale, Arkansas, pleaded guilty today before U.S. District Judge Timothy L. Brooks of the Western District of Arkansas to one count of conspiracy to commit honest services fraud. Sentencing will be scheduled at a later date.

As part of his guilty plea, Neal admitted that, between January 2013 and January 2015, while serving in the Arkansas House of Representatives, he conspired with an Arkansas state senator to use their official positions to appropriate government money known as General Improvement Funds (GIF) to a pair of non-profit entities in exchange for bribes. Specifically, Neal and the senator authorized and directed the Northwest Arkansas Economic Development District, which was responsible for disbursing the GIF, to award a total of $600,000 in GIF money to the two non-profit entities. Of the $600,000, Neal personally authorized and directed a total of $175,000 to the entities. In return for his official actions, Neal received approximately $38,000 in bribes from officials at those non-profit entities.

The Federal Bureau of Investigation and the Internal Revenue Service investigated the case. Trial Attorney Sean Mulryne of the Criminal Division's Public Integrity Section and U.S. Attorney Elser and Assistant U.S. Attorney Kyra Jenner of the Western District of Arkansas are prosecuting the case.

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