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UNITED STATES ASKS COURT TO DISMISS CHARGES IN POVERTY POINT RESERVOIR FRAUD CASE

Supreme Court Case on “Honest Services” Statute Requires Dismissal

LAFAYETTE, La. – United States Attorney Stephanie A. Finley issued the following statement regarding the case of United States v. William Coenen, Jr., Michael L. Thompson, and Terry Denmon:

“Two years ago a federal grand jury returned an indictment charging William R. Coenen, Jr., Michael L. Thompson and Terry D. Denmon with conspiring and engaging in a scheme to defraud the citizens of the State of Louisiana of their honest and faithful services in connection with the Poverty Point Reservoir District, a political subdivision of the State of Louisiana. Specifically, the indictment alleged that Coenen, the elected District Attorney for the Fifth Judicial District who had been hired by the Reservoir District to provide legal services; Thompson, the Executive Director of the Reservoir District; and Denmon, hired by the Reservoir District to provide engineering services, personally enriched themselves by purchasing property adjacent to the Reservoir, concealing their ownership by placing it in the name of a nominee, and then taking actions which substantially increased the value of the property.”

“An indictment is an accusation, and a defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt. All three defendants in this case entered pleas of not guilty, and the matter was scheduled to be tried before a jury.”

“On June 24, 2010, the United States Supreme Court issued its opinion in *Jeffrey Skilling v. United States* in which it dramatically limited the use of the honest services statute upon which the government based its prosecution against Coenen, Thompson and Denmon. The Supreme Court ruled that the honest services statute was limited to cases involving bribery and kickbacks, and that any broader interpretation of it was invalid. The *Skilling* opinion therefore invalidates the legal theory upon which the prosecution of Coenen, Thompson and Denmon was based. Accordingly, the United States has asked the court to dismiss the indictment.”

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