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Delegate, lobbyist plead innocent; Fulton, Evans face 11 federal counts of mail and wire fraud

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Maryland Del. Tony E. Fulton and State House lobbyist Gerard E. Evans pleaded not guilty yesterday to federal fraud charges stemming from an alleged scheme to generate business for the lobbyist.

Evans and Fulton, a West Baltimore Democrat, were indicted Dec. 15 on 11 counts of mail and wire fraud. They are charged with defrauding paint and asbestos manufacturers who were clients of the lobbyist.

The arraignment before U.S. Magistrate Judge Susan K. Gauvey was the first appearance in federal court for Fulton and Evans.

The men declined to comment as they entered the courthouse. Fulton responded briefly to one question as he left the building, saying the indictment would not hamper his ability to do his job when the General Assembly convenes Jan. 12.

"No, it won't be a problem," Fulton said. "I'm going to continue doing the job I've always done for my constituents."

Gauvey set a trial date of March 6 before U.S. District Judge William M. Nickerson, which would mean that the trial would begin during the legislative session.

Lawyers for Fulton and Evans said they will request that the trial be postponed.

During yesterday's hearing, Fulton's lawyer, former U.S. Attorney Richard D. Bennett, and Evans' attorney, Robert C. Bonsib, told Gauvey they had not decided whether to seek a jury trial or to ask that the verdict be decided by the judge. They said they want to review the evidence before making their decision.

The indictment alleges that Fulton helped Evans collect \$400,000 in lobbying fees since 1997 by proposing legislation that would make it easier to file lawsuits against paint companies and asbestos manufacturers.

Fulton twice proposed -- but did not formally introduce -- such a bill, even as Evans used the threat of such legislation to collect larger fees from the companies, according to the indictment.

As part of the scheme, the indictment alleges, Evans steered a real estate commission of \$10,125 to the delegate when Evans' firm purchased a historic office building in Annapolis for \$600,000 last year. Fulton is a real estate agent based in Baltimore County.

In the courtroom, both men spoke only briefly when asked by a court clerk for their plea to the 11 counts against them.

"Not guilty as to all counts," responded Evans, 44, as he stood with his hands clasped before him.

Fulton, 48, also responded "not guilty."

Gauvey told them that if convicted, they could be sentenced to five years in prison and a \$250,000 fine on each of the 11 counts. As is routine for defendants in a criminal case, they were advised of potential sanctions if they fail to appear in court or attempt to tamper with witnesses.

Evans and Fulton were released on their own recognizance and no restrictions were imposed on their travel within the United States, although Evans must surrender his passport and Fulton agreed not to obtain one.

Outside the courthouse, Bonsib and Bennett issued brief statements to reporters.

"Mr. Evans denies each of the allegations in the indictment," Bonsib said. "He intends to fight this matter in court. In the meantime, he and his firm will continue to ethically and professionally represent the interests of his clients in Annapolis and elsewhere."

Bonsib said Evans wanted to thank "the clients and friends who have expressed their confidence in him and their belief in his innocence." Bonsib said those who know Evans are confident that the charges are unfounded and that his client's business relationships will continue.

Bennett said Fulton is innocent of any wrongdoing. "This indictment is very narrowly drafted," Bennett said. "It's not alleged that Mr. Fulton has defrauded his clients of faithful and honest services."

Evans' lobbying partner, John R. Stierhoff, had also been a target of the federal probe but was not indicted. Sources said Stierhoff has been cooperating with authorities. His partnership with Evans in the lobbying firm remains intact.

Legislative leaders reacted to Fulton's indictment last week by persuading him to give up two House leadership positions and to agree to abstain on votes affecting Evans' clients during the legislative session.

House Speaker Caspar R. Taylor Jr. and Senate President Thomas V. Mike Miller proposed sweeping legislation that would ban lawmakers from engaging in business deals with lobbyists.

Graphics:

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PERRY THORSVIK: SUN STAFF PHOTOS

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Caption:

1 & 2. Arraignment: State House lobbyist Gerard E. Evans, shown with attorney Robert C. Bonsib (left), and Del. Tony E. Fulton (right) entered not guilty pleas yesterday in federal court to mail and wire fraud charges stemming from an alleged scheme to generate business for the lobbyist.

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