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## Weighing The Charges Against NY Mayor Eric Adams

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Eric Adams, mayor of New York, center right, and his lawyer Alex Spiro, center left, outside Gracie Mansion in New York, US, on Thursday, Sept. 26, 2024. New York City Mayor Eric Adams was indicted on bribery and fraud charges following a federal corruption investigation, calling into question the political future of the man in charge of running the biggest US city. Photographer: Victor J. Blue/Bloomberg [-] © 2024 BLOOMBERG FINANCE LP

Updated, Sept. 27, 2024: This post has been adjusted to include a comment from Mayor Eric Adams and fix former Virginia Governor Bob McDonnell's state. A previous version of this post incorrectly said McDonnell represented Maryland.

In a move predicted by the defendant himself, Eric Adams became the first sitting mayor in New York City history to be criminally indicted. A New York grand jury issued a five-count indictment this week, including:

- 1. Conspiracy to commit wire fraud, solicit foreign contributions and accept bribes;
- 2. Wire fraud;
- 3. Solicitation of a contribution by a foreign national; and
- 4. Bribery.

"I ask New Yorkers to wait to hear our defense before making any judgments," Adams said Thursday, <u>according to *The Associated Press*</u>. "From here, my attorneys will take care of the case so I can take care of the city."

The indictment traces Adams' alleged criminal activity back to 2014 when he was the Brooklyn Borough President and further alleges that for the next 10 years Adams sought and accepted improper benefits largely consisting of luxury international travel from foreign businesspeople and at least one Turkish government official seeking to illegally influence him.

Specifically Adams is accused of skirting campaign contribution laws prohibiting campaign contributions by foreigners through the use of "straw" contributions where the true contributors funnel their money to a campaign through phony American donors claiming to make the contributions with their own funds.

Adams was further charged with then using these alleged illegal contributions to enable him to get matching funds from a New York City program that matches campaign contributions from city residents with up to eight times the amount of the initial contribution in public funds. According to the indictment, Adams' 2021 mayoral campaign thus improperly received more than \$10 million in public funds.

These charges of fraud in relation to the matching funds program form the basis for the wire fraud count in the indictment. Wire fraud is a favorite charge of prosecutors for its simplicity and relative ease in proving even when the underlying fraud may be exceedingly complex for a jury to understand. Wire Fraud applies to any form of electronic communication including landline phone, cell phone, text message, email or fax and only requires that these forms of communications have been used at some point in furtherance of a fraudulent scheme.

Elizabeth Holmes of Theranos was convicted of three counts of wire fraud and one count of conspiracy while the jury failed to convict her on six other counts related to the same fraudulent activity. Two of the counts brought against Bernie Madoff were for wire fraud and mail fraud.

Federal Judge Jed S. Rakoff <u>described the Mail Fraud statute</u> in words that apply equally to its more modern form, the Wire Fraud statute, "To federal prosecutors of white collar crime, the mail fraud statute is our Stradivarius, our Colt 45, our Louisville Slugger, our Cuisinart — and our true love. We

may flirt with RICO, show off with 10b-5, and call the conspiracy law "darling," but we always come home to the virtues of 18 U.S.C. Section 1341 with its simplicity, adaptability, and comfortable familiarity."

The indictment also alleges that the same foreign donors who are alleged to have illegally contributed to Adams' campaign also provided free or dramatically discounted travel on Turkish Airlines to destinations including France, China, Sri Lanka, India, Hungary and Turkey. While in Turkey, the indictment alleges Adams and his companions also received free rooms at luxury hotels, free meals at high-end restaurants and expensive entertainment.

In perhaps the most damaging allegation in the indictment, it alleges that in September 2021 a Turkish official called in its favors from Adams telling him to use his influence to pressure the New York City Fire Department to facilitate the opening of a new 36 story Turkish consular building without a fire inspection in time for an upcoming visit to New York by the president of Turkey. According to the indictment, the building would have failed any Fire Department inspection. The indictment further alleges that Adams pressured the Fire Department to approve the building without an inspection including threatening the city official responsible for the fire safety assessment with losing his job if he failed to approve the building.

While the facts, as alleged in the indictment appear to be quite damning, proving the precise facts related to the allegations will be critical. In 2016 a unanimous <u>U.S. Supreme Court overturned</u> the bribery conviction of Virginia Governor Robert McDonnell and set new, more stringent requirements for prosecution of bribery cases.

Concerned with prosecutor overreach, the Supreme Court ruled that while the bribery law makes it a crime to receive anything of value in exchange for being influenced in the performance of an official act, setting up a meeting or talking to another official is not in and of itself considered an official act although pressuring an official to take improper action would be. Proving the essential facts as alleged in the complaint in regard to the circumstances surrounding the fire safety assessment for the Turkish consular building will be the crux of this case.

The indictment provides extensive details of various gifts provided to Adams, but it is important to note the final words of the McDonnell decision, "There is no doubt that this case is distasteful; it may be worse than that. But our concern is not with tawdry tales of Ferraris, Rolexes, and ball gowns. It is instead with the broader legal implications of the Government's boundless interpretation of the federal bribery statute. A more limited interpretation of the term 'official act' leaves ample room for prosecuting corruption, while comporting with the text of the statute and the precedent of this Court."

Whether Adams actions were merely distasteful or illegal will be up to a jury.



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