

## Statement of Facts

The State and the Defendant understand, agree, and stipulate to the following Statement of Facts, which the State would prove beyond a reasonable doubt had this case proceeded to trial:

Richard K. Impallaria (“Impallaria”) has served as a duly elected member of the Maryland House of Delegates (the “House”) of the Maryland General Assembly (“General Assembly”), representing portions of Baltimore and Harford Counties in the 7<sup>th</sup> legislative district, since 2002.

Each member of the General Assembly is allocated a district office expense allowance from funds appropriated in the annual budget for the legislative branch. Use of the district office allowance is governed by the “Guidelines for Compensation and Expenses for Legislators” (the “Guidelines”). A member’s district office allowance can be used for rent only in compliance with the Guidelines. The Guidelines require that a legislator’s district office be within the member’s district unless the presiding officer authorizes an exception. An explanation as to why the location is outside of the district must be provided to the presiding officer prior to authorization. The office must be used principally for legislative purposes. Additionally, a member may not receive payment of rent for space in that member’s private residence, even if that space is used for legislative business.

In or around June 2002, Impallaria began renting a personal cottage located at 5 Punte Lane, in Essex, Baltimore County. The cottage is one of seven similarly sized cottages on Punte Lane which are owned by the V.K. family. On July 1, 2002, a new legislative district map was approved and Punte Lane moved from the 6<sup>th</sup> legislative district to the 7<sup>th</sup> legislative district. On July 2, 2002, Impallaria filed as a candidate for the General Assembly to represent the 7<sup>th</sup> legislative district.

From 2004 through June 2012, Impallaria leased a district office at 1120 Clayton Road, located in the 7<sup>th</sup> legislative district, with \$600 monthly rental payments issued by the General Assembly. In February 2012, Maryland’s legislative election districts were redrawn, moving the cottages on Punte Lane from the 7<sup>th</sup> legislative district, back to the 6<sup>th</sup> legislative district. Impallaria’s Clayton Road district office remained in the 7<sup>th</sup> legislative district.

On June 1, 2012, Impallaria notified the General Assembly’s Fiscal Operations Division that he was terminating his lease for his Clayton Road district office and initiating a lease for a new “district office” at 4 Punte Lane, Baltimore, MD 21221. The new “district office” at 4 Punte Lane was located directly next door to Impallaria’s private cottage at 5 Punte Lane and shared the same owners.

At the time that Impallaria initiated the lease and at all times relevant hereto, 4 Punte Lane was located in the 6<sup>th</sup> legislative district, outside of Impallaria’s 7<sup>th</sup> legislative district. An exception by the General Assembly was not approved, and Impallaria was not authorized to seek rental payments for a district office outside of his district.

On June 4, 2012, the General Assembly received an executed lease for 4 Punte Lane, signed by Impallaria and A.L., a member of the V.K. family and one of the three owners of the property. The lease was drafted and witnessed by G.L., Impallaria’s tenured Legislative Aide, who herself

was a member of the V.K. family and one of the owners of the Punte Lane cottages. The 2012 lease provided that the rent that the General Assembly would pay for 4 Punte Lane would be \$700 per month. The \$700 monthly payment, for the “district office”, was approximately double the rent charged to any other tenants on Punte Lane. The prior tenant at 4 Punte Lane, who immediately preceded the “district office,” paid \$300 a month in rent.

The General Assembly issued the first rental payment for the Punte Lane “district office” in July 2012. Since that time, Impallaria has continuously renewed his lease and sought payment for a “district office” at 4 Punte Lane, and the General Assembly has continuously made rental payments.

In or around March of 2015, the V.K. family increased the monthly rental rates on six of the seven cottages by \$50 per month. Beginning with the 2016 lease signed by Impallaria, the “district office” rent was raised by \$100 per month. Accordingly, the General Assembly began paying \$800 per month for the “district office” rental at 4 Punte Lane, while all other tenants paid \$350 per month.

In July 2012, the same month that the General Assembly began paying rent on Impallaria’s “district office” at 4 Punte Lane, and after ten years of making monthly rent payments, Impallaria stopped paying rent on his personal cottage at 5 Punte Lane. The rent ledgers maintained by the V.K. family reflect that the monthly payments received from the General Assembly were divided and split between the “district office” rental at 4 Punte Lane and the rental of Impallaria’s personal cottage at 5 Punte Lane. Specifically, the rent ledgers reflect the following monthly rental values for Impallaria’s personal cottage during the relevant time period: 2012: \$300; 2013-2021: \$400, with the exception of March-December of 2015 where the rental value is noted as being \$350.

Between July 2012 through and including May 31, 2022, the State of Maryland paid \$92,800 in rent for the “district office” at 4 Punte Lane, located outside of Impallaria’s district. During that same period, Impallaria paid \$0 in rent for his neighboring cottage. The monthly rental payments for Impallaria’s personal cottage collected from the General Assembly during that time were \$44,100.

If called to testify, staff for Impallaria as well as other witnesses would testify that 4 Punte Lane was not used as a “district office” by Impallaria. A search of the “district office” at 4 Punte Lane in September 2021 revealed that it was used to store Impallaria’s personal items, including but not limited to bedroom furniture, folding beds, pellet rifles and ammunition, clothing, building materials, campaign materials, skis, and coolers.

Additionally, if called to testify, staff for Impallaria and members of the General Assembly would testify that Impallaria’s “district office” at 4 Punte Lane was located outside of his legislative district, and identify Impallaria as the person responsible for seeking rental payments from the General Assembly.

The annual budget and district office funds are administered by the Department of Legislative Services in Anne Arundel County, and all forms required to be submitted to the General Assembly are retained in Anne Arundel County, Maryland.

If called to testify members of the Department of Legislative Services would identify Richard K. Impallaria as the official who engaged in the aforementioned lease agreement. The agreement was executed and funds housed in Anne Arundel County, Maryland.