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North Carolina House of Representatives

House Select Committee to Investigate Alleged Misconduct and Other Matters Included in Indictments Against Representative Thomas E. Wright

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REPORT TO THE 2007 HOUSE OF REPRESENTATIVES

House Select Committee to Investigate Alleged Misconduct and Other Matters Included in Indictments Against Representative Thomas E. Wright

The House Select Committee to Investigate Alleged Misconduct and Other Matters Included in Indictments Against Representative Thomas E. Wright, (hereafter referred to as the "Committee"), makes its report to the 2007 House of Representatives pursuant to the Committee Authorization issued by the Speaker of the House of Representatives on December 13, 2007.

In accordance with the Committee Authorization, the Committee conducted an investigation into the matters reflected in the indictments against Representative Wright and other allegations of possible unethical or unlawful conduct against him. The Committee met on eight separate days: December 18, 2007 to adopt rules, January 9, 2008 to conduct a probable cause hearing, February 11, 2008 to hear and rule on dispositive motions, February 25, 2008 to approve witnesses and authorize subpoenas, and March 3 through March 6, 2008 to conduct an evidentiary hearing.

At the evidentiary hearing, the Committee heard sworn testimony from seven witnesses, received 21 documents into evidence, and heard arguments from the Committee's Outside Counsel and counsel for Representative Wright. Representative Wright called no witnesses and offered no evidence for consideration.

Attached to and incorporated by reference as part of this Report are the transcriptions of the February 11 and March 3 through 6, 2008 meetings together with the exhibits admitted into evidence; dispositive motions made by Representative Wright, the legal briefs on those motions, and the rulings on those motions; the Second Revised Notice of Charges of Unethical Conduct by Representative Wright and Representative Wright's response to the charges;

Committee Rules; Committee authorization; and research on North Carolina legislative and other legislative bodies' disciplinary actions.

At the conclusion of its investigation, the Committee unanimously found by clear and convincing evidence the following findings:

COUNT 1

On or about March 13, 2002 and on or about March 15, 2002, while a member of the North Carolina House of Representatives, Thomas E. Wright did engage in conduct unbecoming and unfitting a member of the House of Representatives by orally and in writing improperly and unethically soliciting Torlen L. Wade, Acting Director of the North Carolina Department of Health and Human Services Office of Research, Demonstrations, and Rural Health Development, to write and mail to him a fraudulent letter stating that such Office was endorsing The Community's Health Foundation's project to convert a building located on the 900 block of 4th Street in Wilmington, North Carolina into Community's Health Foundation offices, New Hanover Community Health Center offices, and a History Museum and committing \$150,000.00 in funding toward the completion of that project. At the time of the solicitation, Thomas E. Wright was an officer of The Community's Health Foundation, Inc., located at 322 South 17th Street in Wilmington, North Carolina. Thomas E. Wright confirmed his earlier oral solicitation by having his legislative assistant type the necessary details needed in the commitment letter in an e-mail that was sent to Torlen L. Wade by use of his State e-mail account and on a State computer, both of which were authorized for him based on his position as a member of the North Carolina House of Representatives. At the time of the oral solicitation, the typing and sending of the e-mail, and the typing and sending of the Torlen L. Wade letter, both Thomas E. Wright and Torlen L. Wade knew that the Office of Rural Health would not make such a grant and that Thomas E. Wright would use the letter in seeking to fraudulently obtain funding for The Community's Health Foundation from other sources such as financial institutions and other organizations that make grants and that would believe and rely on the false representations in Torlen L. Wade's letter.

COUNT 3

On or about December 15, 2003, while a member of the House of Representatives, Thomas E. Wright did engage in conduct unbecoming and unfitting a member of the House of Representatives by improperly, fraudulently, and unethically converting money intended to be a charitable contribution to The Community's Health Foundation, Inc. to his own personal use. Thomas E. Wright wrote a letter on the letterhead stationery of The Community's Health Foundation, Inc. to a representative of AstraZeneca Pharmaceuticals, LP, requesting as the Foundation's president a donation to the Foundation, a charitable organization that Thomas E. Wright represented to be qualified to receive tax-deductible donations, that would be used by the Foundation for various health related purposes, including but not limited to educational initiatives, a needs assessment, identification of trends and bridging the gap of minority health care for an underserved population in New Hanover County. Thereafter, when on December 15, 2003, a representative of AstraZeneca Pharmaceuticals, LP signed and sent to Thomas E. Wright and The Community's Health Foundation, Inc., a check made out to "Communitys Hlth Found Inc" in the amount of \$2,400.00, Thomas E. Wright deposited that check into his own personal account rather than into the account of The Community's Health Foundation, Inc.

COUNT 4

On or about February 6, 2004, while a member of the House of Representatives, Thomas E. Wright did engage in conduct unbecoming and unfitting a member of the House of Representatives by improperly, fraudulently, and unethically converting money intended to be a charitable contribution to The Community's Health Foundation, Inc. to his own personal use. Thomas E. Wright wrote a letter on the letterhead stationery of The Community's Health Foundation, Inc. to a representative of Anheuser-Busch Companies, Inc., requesting as the Foundation's president a donation to the Foundation, a

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charitable organization that Thomas E. Wright represented to be qualified to receive tax-deductible donations, that would be used by the Foundation for acquisition and development of a building in Wilmington, North Carolina that would serve as a museum. Thereafter, on March 5, 2004, when a representative of Anheuser-Busch Companies, Inc. signed and sent to Thomas E. Wright and The Community's Health Foundation, Inc., a check made out to "Communitys Health Foundation Inc" in the amount of \$5,000, Thomas E. Wright deposited that check into his own personal account rather than into the account of The Community's Health Foundation, Inc.

COUNT 5

On or about April 1, 2004, while a member of the House of Representatives, Thomas E. Wright did engage in conduct unbecoming and unfitting a member of the House of Representatives by improperly, fraudulently, and unethically converting money intended to be a charitable contribution to The Community's Health Foundation, Inc. to his own personal use. Thomas E. Wright wrote an invoice on the letterhead stationery of The Community's Health Foundation, Inc. to a representative of AT&T Corp. as a solicitation of a charitable contribution to the Foundation, a charitable organization that Thomas E. Wright represented to be qualified to receive tax-deductible donations. Thereafter, on April 1, 2004, when a representative of AT&T Corp. signed and sent to Thomas E. Wright and The Community's Health Foundation, Inc., a check made out to "Communitys Health Foundation I" in the amount of \$1,500, Thomas E. Wright deposited that check into his own personal account rather than into the account of The Community's Health Foundation, Inc.

COUNT 7

Between January 1, 2000 and January 31, 2007, while a member of the North Carolina House of Representatives, Thomas E. Wright did improperly, fraudulently, and unethically engage in a pattern of conduct unbecoming and

unfitting a member of the House of Representatives by intentionally failing to disclose approximately \$180,000.00 in contributions received by his campaign during that time period, which disclosures are required by law and are intended to safeguard the public trust and to preserve the integrity of the electoral process, the integrity of the House of Representatives, and the integrity of the legislative process. The contributions that are the subject of this Count are set out in Exhibit 15 of the Committee hearing held March 3-6, 2008 as modified by the testimony of Kim Strach, Deputy Director of the State Board of Elections, and incorporated into this Count by reference.

COUNT 8

Between on or about October, 2001 and on or about August, 2004, while a member of the North Carolina House of Representatives, Thomas E. Wright did engage in a pattern of conduct unbecoming and unfitting a member of the House of Representatives by improperly, fraudulently, deceptively, and unethically soliciting a false document from a State agency and soliciting corporations for donations to a charitable corporation, The Community's Health Foundation, Inc., and by converting to his own personal use money contributed to that charitable organization.

As to Count 2, evidence was presented at the hearing as to that Count but no finding was made by the Committee. As to Count 6, no evidence was presented at the hearing as to Count 6 and that Count was not considered by the Committee at that time. The Committee retained jurisdiction over Counts 2 and 6 for possible further consideration.

RECOMMENDATION

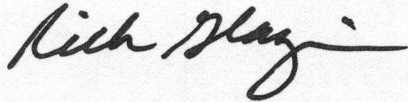
Based on its findings that the allegations in Counts 1, 3, 4, 5, 7, and 8, are true, following arguments by Committee Counsel as to the appropriate sanction, and after discussion by the Committee, the Committee unanimously recommends that Representative Wright be expelled as a member of the House of Representatives.

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This report submitted on authority of the Committee this the 11th day of
March, 2008.



Representative Rick Glazier, Chair
House Select Committee to Investigate Alleged Misconduct and Other Matters
Included in Indictments against Representative Thomas E. Wright

Attachments:

Transcript of Evidentiary Hearing - 4 days
Exhibits Admitted at Evidentiary Hearing
Charges
Response and Dispositive Motions
Respondent's Response to Notice of Witness Requirements
Recusal Motion
Committee Rules
Committee Authorization
Research on Disciplinary Actions in Legislative Bodies