

February 1, 2018

MR LARRY S. BANKSTON
BANKSTON & ASSOCIATES
8708 JEFFERSON HWY STE A
BATON ROUGE LA 70809-2411

Dear Mr. Bankston:

This letter will serve as a formal response to your letter dated November 30, 2017 seeking written reasons for my office's declining to renew the contract of Bankston and Associates providing legal services to the Louisiana Contractor's Board.

First, as you are aware, my office provided a detailed letter to the Contractor Board's Executive Director, Michael McDuff, dated August 24, 2016 expressing my concerns entailing your felony conviction for accepting a bribe while serving as a Louisiana State Senator. Rather than reiterating those concerns and the foundations for them in this letter, I provide a copy of that letter for your review.

Since the date of that letter, several issues have arisen and/or come to my attention, all of which concern me greatly regarding your suitability for serving as legal counsel for the Contractor Board, to wit:

- On April 5, 2017, Gov. John Bel Edwards was forced to account for your inappropriate intervention into the awarding of Louisiana's flood relief contract wherein you recommended disqualification of the first-place and second-place bidder and instead make the third-place bidder, at which your son is or was reportedly employed, the heir apparent to be awarded the contract at a cost of over \$100 million more than the first-place bidder.

Gov. Edwards had to respond to questions from North Carolina Representative Mark Meadows that painted Louisiana in a highly-negative light at a time when Louisiana citizens are most dependent upon Federal funds to aid in their flood recovery.

Among the questions Meadows asked Gov. Edwards:

1. "Why did you cancel a \$250 million flood recovery contract just a few days ago?"
2. "You cancelled the contract on March 16, 2017 **because Mr. Bankston had an opinion that it needed to be cancelled?**"
3. "Why did you get rid of that particular vendor **because what I understand is that they presented a proposal that was going forward but one person, Larry Bankston, said that there was a problem?**"
4. "**Does Mr. Bankston's son work for a competing contractor in that?**"

You may feel free to view videotape of this testimony by Gov. Edwards at the following URL:
<http://www.soundoffla.com/?p=668>.

- I am disturbed by certain quotes you made on FBI wire taps during their investigation of your activities, to wit:

A. 10/31/94: "I don't want to be involved with people that **fucking tape people's telephone calls....The Chief is off in fucking never-never land.**

B. 12/28/94: "My wife is about to choke me. The worst part, Fred (Goodson) is that my wife is a CPA. **Nothing worse than a CPA for a wife.**"

C. 9/19/94: "I don't want to be your lawyer. **You can't get compensated adequately as a lawyer....I can protect you from those guys because of who I am....There are some other people from Louisiana that I will need to take care of as a result of what the Chief tells me to do.**"

D. 9/30/94: "We'll take care of it, everybody that needs to be taken care of." [In response to Miller, who stated: I'm telling you that we're going to do this. **We're going to give you the 5% and you're going to make the crooked ways straight.**"] "And I'll, **I can do that.....**That is why this thing has to be kept very quiet."

You may refresh your memories of your quotations at the following URL:
<http://www.soundoffla.com/?p=652>.

- Mere months after you were hired by the Louisiana Auctioneer Licensing Board in March of 2012 and you being presented with compelling evidence that the Executive Director of that Board, Ms. Sandy Edmonds, had been committing payroll fraud, rather than initiating action to correct the fraud and report any incidents to law enforcement, your choice of action was to convene an administrative hearing and attempt to have that Board initiate disciplinary action against the license of the auctioneer who reported the payroll fraud, Robert Burns. You may view videotape of you conducting this hearing on September 17, 2012 at the following URL: http://www.auctioneer-la.org/problems_robert_burns_91212_payroll.htm.

I will point out that, subsequent to your action, the Louisiana Inspector General conducted its own undercover investigation of Ms. Edmonds during for a period of about eight months in 2013 (mere months after your attempt at prosecuting Burns as a whistleblower) and issued a written report indicating that Ms. Edmonds:

1. Took a vacation in Orange Beach, Alabama,
2. Vacationed for a full week in Disneyworld in Orlando,
3. Visited relatives in Kansas,

4. Went sightseeing in New York,

all white reporting to the Auctioneer Board that she was "on the clock."

Clearly, your judgment was sorely lacking and, as with the incident of April 5, 2017 above, this incident represented yet another episode in your long-standing tradition of either engaging in corrupt activities yourself or aiding and abetting corrupt and fraudulent activities on the parts of others, in this case, Ms. Sandy Edmonds.

Now I realize that your attorney, Ms. Mary Olive Pierson, has stated in her lawsuit that I have "abused my power" in declining to renew your legal contract. I assert the exact opposite and assert that, while I am attempting to make a conscientious and prudent decision to protect Louisiana taxpayers, it is indeed you who is abusing power as demonstrated above and by filing the frivolous lawsuit against me which you have.

At any rate, the lawsuit seeks written reason for me not extending your contract, and I trust you will find that this letter serves to fulfill that request thereby satisfying the demand of your litigation.

Enclosure: Letter of August 24, 2016
to LCB Ex. Director Micahel McDuff
copied to Gov. John Bel Edwards

Sincerely,

Louisiana Attorney General Jeff Landry



Jeff Landry
Attorney General

State of Louisiana
DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL
P.O. BOX 94005
BATON ROUGE
70804-9005

August 24, 2016

Michael McDuff
Executive Director
Louisiana State Licensing Board for Contractors
2525 Quail Drive
Baton Rouge, LA 70808

**RE: Professional Legal Services Contract between the Louisiana State Licensing Board
for Contractors and Bankston & Associates, LLC**

Dear Mr. McDuff:

The Attorney General's Office has endeavored to ensure continuity of ongoing operations as we continue the process of transitioning the new administration into managing the Office. Toward that end, the process for reviewing and approving outside counsel to State Boards or Commissions did not immediately change.

However, as you are aware, we are in the process of reviewing the quality and scope of legal representation for all State agencies, boards, commissions and government subdivisions. In connection with that review, a matter of great concern has been brought to my attention.

In reviewing these contracts, as stated above, we recognize that an attorney owes a fiduciary and professional duty to a board that he or she serves. In light of these considerations, I feel compelled to address this issue.

The Louisiana State Licensing Board for Contractors ("Board") submitted for our approval a professional legal services contract between the Board and Larry Bankston (term August 1, 2016 through July 31, 2017). Mr. Bankston is a convicted felon who has been previously disbarred. According to the records of the Louisiana Supreme Court, Mr. Bankston at the age of 46 was convicted on two felony counts related to receiving a bribe during his service as a Louisiana State Senator.¹ After a formal hearing on the suspension of his law license following his conviction, the Hearing Committee made a finding of fact that he had been convicted of criminal acts that reflected adversely on his honesty, trustworthiness and fitness as a lawyer. It further found his actions reflected adversely on the legal profession and the public perception of the legislature. As aggravating factors relating to the recommended sanction of disbarment, it found he had a dishonest motive, lacked remorse, refused to recognize his wrongdoing, and had substantial experience in the practice of law and engaged in illegal conduct. Finally, in his

¹ According to court records, Mr. Bankston's conviction and sentence were affirmed on appeal in 1999. The Supreme Court revoked his license to practice law and disbarred him March 3, 2001. *See In Re: Larry S. Bankston*, No. 01-2780 (La. 03/08/01) *per curiam*.

objection to the committee's recommended sanction, Mr. Bankston contended no client was involved or harmed by his acts and there was no economic loss to the governmental entity. In accepting the recommendation of disbarment, the Supreme Court accepted the Committee's factual findings and confirmed that an attorney who holds a position of public trust is held to a higher standard of conduct than an ordinary attorney. The court found that Mr. Bankston's "highly publicized conviction caused inestimable harm to the public's perception of the legal profession." Mr. Bankston was reinstated to the bar without additional comment from the Court on March 26, 2004.

An attorney who represents the Board acts in a fiduciary capacity to the Board and is a legal representative of the State of Louisiana. In light of Mr. Bankston's previous actions, I am concerned about his appointment to this position of trust. I find it particularly troubling that, notwithstanding the fact that he was an elected representative of the people, Mr. Bankston did not believe anyone was harmed by his conduct. As an elected official charged with the responsibility to ensure the State is represented by honest, capable, and conflict free legal counsel, these facts trouble me.

It is important the Board recognize that a prior felony record is not a prohibition to gaining employment with a State board, *per se*. Our office recently came under scrutiny for the hiring of an individual with a felony record. The employee we choose to hire, however, is not representing the State as an attorney, is not acting in a fiduciary capacity to our office, and is not working on any matters dealing with court proceeding or other matters dealing with the Court system. These are factors that we believe are not present in your proposed employment of Mr. Bankston.

Since our office is responsible for oversight of appointment of counsel representing the Board,² we are bound by the law to advise the Board of issues that we believe to be problematic. The Board and the Governor who appoints both the Executive Director and its members are ultimately responsible for the decision.³ If the Board acting on the wishes of the Governor believes that Mr. Bankston's prior transgressions are not problematic, then please provide our office with written correspondence acknowledging that, in light of the issues raised, the Governor and the Board would recommend that Mr. Bankston be retained.

Sincerely,



JEFF LANDRY
Attorney General

Cc: Governor John Bel Edwards

² Pursuant to La. R.S. 37:2153, all legal services for the board shall be under the supervision, control, and authority of the attorney general.

³ Pursuant to La. R.S. 37:2151, the State Licensing Board for Contractors is created within the Office of the Governor and its membership is appointed by the Governor.