

 CREW - citizens for responsibility and ethics in washington

CREW Cuts

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CREW Files FEC Complaint Against Rep. Marsha Blackburn

On June 11th, CREW filed a complaint with the Federal Election Commission (FEC) against Rep. Marsha Blackburn's campaign committee and the committee's treasurer.



After receiving 33 letters from the FEC regarding possible reporting errors since Blackburn first ran for Congress in 2002, the campaign committee undertook its own internal audit, spearheaded by attorney Don McGahn, who was recently confirmed as an FEC Commissioner. This review showed that the campaign had received over \$100,000 in unreported contributions, including a \$1,000 contribution from former Rep. Randy "Duke" Cunningham's campaign committee and had failed to report \$286,000 in expenditures, including nearly \$19,000 paid to Blackburn's own daughter and son-in-law.

CREW's complaint alleges that Blackburn's campaign committee violated federal campaign finance laws by failing to report these contributions and expenditures.

Blackburn's campaign committee had been the subject of an earlier FEC investigation in 2006, resulting in a \$1,500 penalty. The campaign committee's failure to report certain contributions was a focus of the investigation..

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[Read the *Memphis Commercial Appeal* story](#)

CREW Files Amicus Brief in Rep. Jefferson Appeal

On June 6th, CREW filed an amicus or friend-of-the court brief before the U.S. Court of Appeals for the Fourth Circuit in *United States v. Jefferson* in support of the United States. Rep. William Jefferson (D-LA) is arguing that the criminal indictment against him violates the Speech or Debate Clause of the Constitution.

Rep. Jefferson claims his indictment on charges including bribery, conspiracy and honest services fraud should be dismissed because the grand jury improperly heard testimony regarding Rep. Jefferson's status as a member of Congress, and his role as a member of particular committees and caucuses.

CREW countered that the Speech or Debate Clause precludes prosecutors only from introducing evidence directly related to Rep. Jefferson's legislative duties, but not from using evidence regarding activities peripheral to the legislative process.

CREW argued that expanding the breadth of the Speech or Debate Clause could potentially cripple the investigation and prosecution of any members of Congress using their positions to engage in criminal conduct.

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CREW Asks for Senate and House Ethics Investigations Into Countrywide "VIP" Loan Program

On June 13th, CREW wrote to both the Senate and House Ethics Committees asking for investigations into whether members of Congress received loans in violation of congressional gift rules. According to *Portfolio.com*, Countrywide Financial had a "VIP" program that waived points, lender fees, and company borrowing rules for prominent people, including at least two members of the Senate, Sen. Christopher Dodd (D-CT) and Sen. Kent Conrad (D-ND).

Although there is no evidence that either Sen. Dodd or Sen. Conrad were aware they were receiving special treatment from Countrywide, their receipt of the unusually favorable loans creates exactly the sort of appearance of impropriety that the gift rule was designed to address. Since loans are specifically included in the definition of "gifts" in the Senate ethics manual, if the senators knew they were receiving loans on terms generally not available to the public, they may have violated Senate gift rules.

CREW asked that the Senate Ethics Committee investigate Senators Dodd and Conrad, and that both the Senate and House Ethics Committees look into whether any other members of Congress received similarly favorable loans from Countrywide. CREW also suggested the committees consider creating a system to review loans applied for by members, or create guidelines to ensure that loan terms meet the requirements of the gift rule.

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