

## CREW Cuts

The Monthly Newsletter of CREW

August 2010 // Issue No. 40

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### Spotlight



### Send CREW Your 2010 *Crooked Candidates*

On July 20th, CREW launched [Crooked Candidates 2010](#), a list of some of the most unethical and outright corrupt seekers of federal office. CREW's research team examined news articles, blogs and public records to arrive at the 12 candidates currently featured on the list.

But we need your help: with a record 2,300 candidates seeking federal office this year, our list is likely only the beginning. [Read through CREW's Crooked Candidates](#) and [let us know](#) who we missed and why you think they should be included. We're looking for candidates for federal office who are not incumbents. CREW's research team will review each submission to determine if they deserve a spot among this year's group of the least-desirable candidates.

[Click here](#) to read CREW's *Crooked Candidates 2010*.

[Click here](#) to enter your submission.



### CREW Releases *Senator Shelby's Pork Parade*



On July 29th, CREW released a study showing the great lengths to which Sen. Richard Shelby (R-AL) goes to take care of his former staffers and their high-paying clients. The study, *Senator Shelby's Pork Parade*, shows the senator demonstrates the same prowess as the late Rep. John Murtha (D-PA) in trading earmarks for campaign donations.

CREW found eight former Shelby staffers who had gone on to join or create lobbying firms. Sen. Shelby has earmarked a whopping \$267 million to the clients of former staffers since the 2008 fiscal year alone. In return, the former staffers'



lobbying firms and clients have donated almost \$1 million to Sen. Shelby's campaign committee and leadership PAC since 1999.

Americans are concerned with the ever-growing national debt and have grown weary of politicians' pork barrel politics, yet Sen. Shelby - while publicly advocating fiscal responsibility - appears to be trading earmarks for campaign contributions.

[Learn more](#)

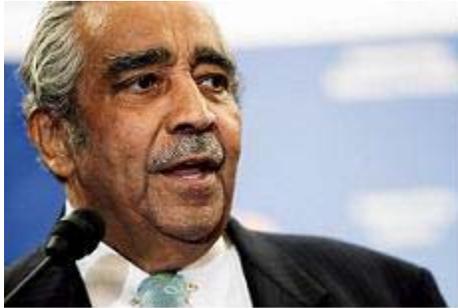
[Read CREW's report](#) (PDF)

[Read the \*Politico\* story](#)

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## Ethics Committee Releases Charges against Rep. Rangel; CREW Calls for Resignation



On July 22nd, the House ethics committee announced its investigation into Rep. Charlie Rangel's (D-NY) alleged ethics violations was moving from an investigation to a public trial - the committee's first in eight years. Recognizing that he can no longer effectively represent the citizens of New York, CREW called on Rep. Rangel to resign.

Media reports suggested that Rep. Rangel's legal team was close to arranging a plea deal with the ethics committee, but following the unveiling of 13 charges against Rep. Rangel, it now appears the ethics trial will begin in September. CREW has been calling for investigations into Rep. Rangel's wrongdoing for years, and will

continue to monitor this situation. The notoriously lax ethics committee may finally live up to its stated mission of upholding the ethics laws of the House in this case.

[Learn more](#)

[Read the House ethics committee's charges against Rep. Rangel](#) (PDF)

[Read \*The Washington Post\* story](#)

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## CREW Files FTC Complaint against Vaccine Manufacturers



On July 6th, CREW requested an antitrust investigation of drug companies that give discounts on vaccines to physicians on the condition that they offer only that manufacturer's products. CREW's letter to the Federal Trade Commission (FTC) cited recent news that Sanofi Pasteur and Merck require healthcare groups purchasing their vaccines to enter into contracts banning them from purchasing vaccines made by other companies.

In addition to stifling market competition, this practice prevents physicians from offering vaccines that are best suited to their patients' conditions. The FTC must investigate to determine if the American public is getting the best vaccines or the vaccines with the best price.

[Learn more](#)

[Read CREW's letter to the FTC \(PDF\)](#)

[Read \*The Hill\* story](#)

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## CREW Files Ethics Complaint against Rep. Gregory Meeks



On July 13th, CREW filed a complaint with the House Office of Congressional Ethics (OCE) against Rep. Gregory Meeks (D-NY). A series of reports in the *New York Daily News* revealed Rep. Meeks allegedly violated federal law and House rules by accepting \$40,000 from a New York businessman and failing to report that money on his financial disclosure reports.

Rep. Meeks received the \$40,000 back in 2007, but once the FBI started investigating circumstances surrounding the payment, he claimed - two years later - that it was in fact a "loan" he was repaying with interest. If, as it appears, this money was really a gift, then Rep. Meeks violated House gift rules. Additionally, making false statements on a personal financial disclosure form is a felony

punishable by up to five years in prison.

CREW's letter also notes Rep. Meeks took out a \$59,650 home equity loan from Four Investments to repay the \$40,000. Four Investments, an investment firm run by a longtime Democratic donor who has personally donated to Rep. Meeks, does not normally issue home equity loans. If Rep. Meeks accepted this latest loan on terms not available to the general public, this too is a violation of House gift rules.

[Learn more](#)

[Read CREW's letter to the OCE \(PDF\)](#)

[Read the \*New York Daily News\* story](#)

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## CREW Calls for Investigations into Those Who Stand to Benefit from Greater Regulation of the For-Profit Education Industry



On July 1st, CREW sent a letter to the Senate Committee on Health, Labor and Pensions (HELP), asking for an examination of the process the Committee follows in selecting witnesses to offer testimony. On June 24th, a hedge-fund manager known to short-sell stocks in for-profit education companies gave damning testimony against the for-profit education industry, which may have allowed him to profit by lowering that industry's stock prices.

Sen. Tom Harkin (D-IA), chairman of the HELP Committee, responded to CREW's letter on July 2nd and claimed that while the witness, Steven Eisman, had disclosed his financial stake in the for-profit industry, his knowledge of the industry outweighed the potential for a conflict of interest.

CREW sent another letter to Chairman Harkin on July 14th, alerting the senator to a ProPublica report on other ways those with a financial stake in the for-profit education industry are seeking to increase federal regulation of the industry.

CREW also filed a Freedom of Information Act (FOIA) request on July 23rd with the Department of Education, seeking records of communications between Education officials and individuals who may have publically criticized the industry for personal financial gain.

The for-profit education industry certainly merits scrutiny, but not by those who stand to financially profit from its collapse.

[Learn more](#)

[Read CREW's letter to Chairman Harkin](#) (PDF)

[Read the \*ProPublica\* story](#)

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