



Press Release from
Congressman Chris Bell

Representing Texas' 25th District

For Immediate Release:
June 15, 2004

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Washington, D.C. – Today, Congressman Chris Bell (TX-25) filed an ethics complaint with the House Committee on Standards and Ethics against House Majority Leader Tom DeLay. The extensive evidence outlined in the 187 page complaint (with exhibits) documents a history of bribery, extortion, money laundering and abuse of power by Mr. DeLay and his political associates.

Congressman Bell called on the House Committee on Standards of Official Conduct to conduct an immediate investigation into Mr. DeLay, stating that “the credibility of the House of Representatives is on the line”.

Bell also asserted that it is time for the Tom DeLay era of corruption and political intimidation in the House of Representatives to end.

Below are excerpts from Bell’s statement:

“A mountain of evidence indicates that Tom DeLay may be guilty of serious criminal acts including bribery, extortion, fraud, money laundering and abuse of power.

“Representative DeLay has consistently flouted the rules of the House of Representatives. It has now come to light that he has flouted the laws of the State of Texas and may soon face felony indictment by the Travis County District Attorney in Austin.

“This is not about partisan politics; this is about doing what is right. At stake is the credibility of the People’s House. Regardless of political affiliation, I am confident that, upon examining the evidence, Representative DeLay’s corrupt organized effort to illegally use public resources and American tax dollars for a partisan political power grab will be clear.”

The complaint charges:

- 1) DeLay violated Federal law by illegally solicited and accepted political contributions in return for official action.**

In 2002, DeLay solicited and accepted contributions for his political action committee, Texans for a Republican Majority (TRMPAC), from executives of the Kansas-based Westar Energy Corporation in return for legislative assistance on an amendment to the energy bill.

- 2) DeLay's TRMPAC laundered illegal corporate contributions for the purpose of influencing Texas legislative races and failed to properly disclose its financial activity.**

Because Texas law prevents corporations from making contributions to candidates, TRMPAC could not give the money to candidates directly. Instead, TRMPAC sent \$190,000 in corporate funds to the RNC in an apparent money-laundering scheme intended to provide candidates with additional funding.

- 3) DeLay improperly used his official office to urge federal agencies to assist in a partisan objective wholly unrelated to his official duties.**

Mr. DeLay violated House Standards of Official Conduct prohibiting Members from contacting government agencies to further partisan goals by improperly using his office to exhort federal agencies, including the FAA and the DOJ, to search for and interdict state legislators absent from the state legislative session in Texas.

***Copies of the complaint are available to the media upon request as well as copies of support materials, background articles, and Mr. Bell's public statements. Please contact Eric Burns or Ashley Etienne at 202-225-7508 for more information.**

Washington and it places Congressman Bell in an even stronger position to deliver for Houston.

Congressman Bell and his wife Alison, have two children, Atlee, who is seven years old and Connally, who is five. The Bells have remained active in their community and are members of the Christ Church Cathedral. Congressman Bell has long been a champion for children, serving on the board of Big Brothers Big Sisters of the Gulf Coast Region and the Houston / Harris County Joint Commission on Children. He also served on the boards of the Downtown Houston Association and American Diabetes Association, Taping for the Blind, and the Houston Area Parkinson Society. Demonstrating his commitment to the underserved, Congressman Bell has volunteered his time on a weekly basis to cook and feed the homeless at the Palmer Memorial Episcopal Church Way Station.

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Chris Bell
Congress of the United States
House of Representatives
25th District, Texas

June 15, 2004

Statement from Congressman Chris Bell

The United States House of Representatives is one of the greatest institutions in human history. This House of Representatives belongs to all the people of America - past and future included. It is appropriately called "the People's House" - and as the People's House, it is a testament to the universal value of making life better during the time we're allotted here on earth.

But the credibility of this great institution is under attack.

This attack on Congress comes in the form of serious criminal acts including bribery, extortion, fraud, money laundering and abuse of power.

This attack harms all Americans because it damages the credibility of our laws and the legislative process by which we seek national consensus.

All Americans should be alarmed by this attack against Congress. Whether we are Democrats or Republicans, we must stand together and act to protect the People's House from these attacks.

I am a relative newcomer to Washington. But I have come to love the People's House and to have an even greater respect for the wisdom of those individuals who founded our nation and wrote the United States Constitution. That is why I will not stand idly by and do nothing in light of the extremely serious attacks against the credibility of this institution.

It is also why, today, I am requesting that the House Committee on Standards of Official Conduct immediately investigate the criminal activities of House Majority Leader Tom DeLay.

It is no secret to many Members of Congress, Democrats and Republicans

alike, that House Majority Leader DeLay and his associates have repeatedly conspired to break federal and state laws and have abused his power as an officer of the federal government.

A mountain of evidence indicates that Tom DeLay may be guilty of serious criminal acts including bribery, extortion, fraud, money laundering and abuse of power.

Any reasonable person -- Republican, Democrat or Independent - will conclude, after reviewing the evidence, that Mr. DeLay and his associates have engaged in an organized effort to gain personal political power at any cost. In their hunger for power, they have flouted the law at taxpayer expense.

The request for an investigation that I have submitted to the House Committee on Standards of Official Conduct includes three areas in which Mr. DeLay should be investigated:

1. DeLay illegally solicited and accepted political contributions in return for official action.
2. DeLay's TRMPAC laundered illegal corporate contributions for the purpose of influencing Texas legislative races and failed to properly disclose its financial activity.
3. DeLay improperly used his office to importune federal agencies for a partisan objective wholly unrelated to his official duties.

There are dozens of news articles that document the criminal activities of the House Majority Leader. Just one example among many is the news article from last year in *The Texas Observer* titled "Rise of the Machine." It is no wonder that editorial boards, from the *Houston Chronicle* to *The New York Times*, as well as independent ethics groups have demanded that the House Ethics Committee investigate the questionable activities of Mr. Delay.

But news organizations and independent ethics groups do not have the authority to launch a formal investigation of a Member of Congress. According to House Rules, only a Member of Congress can request an Ethics investigation.

And in a joint statement released earlier this year in March, Chairman Joel Hefley and Ranking Member Allen Mollohan stated that the Committee is absolutely committed to "pursuing any credible claim that a Member or staff person has violated any provision of the House rules." The Chair and

Ranking Member said in that same statement that they will investigate wrongdoing in a nonpartisan manner.

That is the right thing to say...it is the right thing to do...and let us hope on behalf of the American people and this great institution that the wrongdoing committed by Tom DeLay and his associates is investigated in a nonpartisan manner.

Throughout my public service career, I have attempted to foster a more ethical, open and accountable process by which we govern ourselves. Back in Houston, I served as the Chairman of the City Council Ethics Committee and, during my time here in Congress, I was honored to serve on the Government Reform Committee.

Battles for greater ethics in government are never easy. They are not won in a day. And in this case, I do not underestimate the dangers and political risks involved in asking for an investigation of the powerful House Majority Leader.

I expect the full wrath of Mr. DeLay's attack machine - here on the floor of the People's House, in the hallways that lead to and from this great chamber, and in news organizations and talk shows around our country.

So be it. Let them attack. My message to them is that no one is above the law, no matter how powerful. Not even Tom DeLay.

This is one ethics battle that none of us can afford to lose - a battle for the dignity and credibility of the House of Representatives.

If you were to ask many of my Republican colleagues off the record, they would tell you that they disapprove of Mr. DeLay's tactics and illegal activities. But because Tom DeLay has created a climate of fear inside this institution, it is awkward for these honorable Republicans to make public statements about the so-called "Hammer."

Last week we honored the life of Ronald Reagan - a great American who could disagree with political opponents during the day, yet be a wonderful companion and friend after hours.

Last week we also heard a lot of talk about restoring the House to a more civil and collegial state of affairs. I couldn't agree more - which is why I urge the House Ethics Committee to handle this request to investigate Mr. DeLay in a non partisan fashion, with the seriousness and thoroughness it deserves. Only then can we move closer to healing the divide between Democrats and Republicans in this body; only then can we turn our full attention to working on behalf of the American people.

With power comes duty. I have done my duty as a Member of Congress in requesting this investigation. Responsibility now lies with the House Committee on Standards of Official Conduct to investigate Congressman DeLay's pattern of corruption, conspiracy and criminal activity.

Let us join together in restoring the credibility of this great institution and let us begin today by launching an investigation into Mr. DeLay and his attacks against the People's House.

Chris Bell

Summary of Complaint against Rep. Tom DeLay
Filed by Rep. Chris Bell
June 15, 2004

On June 15, 2004, Congressman Chris Bell (D-TX) submitted a complaint to the House Committee on Standards of Official Conduct regarding the conduct of House Majority Leader Tom DeLay. The complaint alleges that Representative DeLay violated the rules of the U.S. House of Representatives, the Federal bribery statute as well as Texas campaign finance laws to advance his political interests in the state of Texas.

The complaint charges that:

(1) Representative DeLay may have illegally solicited and accepted political contributions in return for official action.

In the spring and summer of 2002, then Majority Whip DeLay, may have violated Federal law and the rules of the House of Representatives by soliciting and accepting contributions for his Texas-based political action committee, Texans for a Republican Majority (TRMPAC), from executives of the Kansas-based Westar Energy Corporation in return for legislative assistance on an amendment to the energy bill pending before the House Energy and Commerce Committee that would have saved Westar billions of dollars.

Although Representative DeLay was not a member of the Committee, his position in the House leadership and his close ties to senior Republican Members of the Committee, including its chairman, afforded him extraordinary influence over the amendment's fate. Westar executives noted Representative DeLay's influence in internal company communications and contributed \$25,000 to TRMPAC to secure Representative DeLay's support.

Violations: 18 U.S.C. §201(b)(2) prohibits public officials from seeking, receiving, accepting or agreeing to accept anything of value in return for doing or omitting to do any act in violation of that official's official duty. Section 3 of the Code of Official Conduct provides that "[a] Member . . . of the House may not receive compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in Congress."

(2) Representative DeLay's TRMPAC may have laundered illegal corporate contributions for the purpose of influencing Texas legislative races and failed to properly disclose its financial activity.

Through TRMPAC, Representative DeLay used corporate money to secure Republican majority control of the Texas Legislature in the 2002 election in order to gerrymander Texas congressional districts to create more Republican districts. TRMPAC, which operates under Texas law for the purpose of influencing state elections, was managed by Jim Ellis, a top aid to Representative DeLay who also ran his federally registered Americans for a Republican Majority (ARMPAC). During the week of September 9, 2002, TRMPAC sent \$190,000 in corporate funds to the Republican National Committee in an apparent money-laundering scheme intended to provide candidates for the Texas State Legislature with additional funding shortly before the election. Because Texas law prevents corporations from making contributions to candidates, TRMPAC could not give the money to candidates directly. Instead, TRMPAC gave Jim Ellis a blank check drawn on the PAC's soft money account, which Ellis then made out to the RNC for \$190,000. Within three weeks, the RNC's state election committee sent the same amount back to Texas, divided among seven Republican candidates

for the Texas State House of Representatives.

Violations: Under Texas campaign finance laws and regulations, political action committees, such as TRMPAC, are prohibited from using corporate donations to help individual candidates. Moreover, PACs must disclose all the money spent to influence state elections to the Texas Ethics Commission (“TEC”). A comparison of TRMPAC’s filings with the IRS and the TEC shows that TRMPAC failed to accurately report its expenditures, further supporting the charge that TRMPAC used corporate money to support political candidates in a calculated and premeditated effort to evade and violate Texas law.

(3) Representative DeLay may have improperly used his office to urge federal agencies to assist in a partisan objective wholly unrelated to his official duties.

During the summer of 2003, Representative DeLay violated House Standards of Official Conduct prohibiting Members from contacting government agencies to further partisan goals by improperly using his office to exhort federal agencies, including the Federal Aviation Administration (“FAA”) and the Department of Justice, to search for and interdict state legislators absent from the state legislative session in Texas. On May 12, 2003, Rep. DeLay’s Congressional office pressed the FAA to provide assistance in locating an airplane that was believed to be flying some of the absent legislators out of Texas. Representative DeLay’s staff gave the FAA the tail number of the aircraft and, without providing any explanation for the request, asked the FAA to find the aircraft. The FAA tracked the plane and advised Representative DeLay’s staff that the aircraft was due to land in Ardmore, Oklahoma.

Violations: The standards of conduct applicable to Members under the 1970 Advisory Opinion No. 1 of the House Committee on Standards of Official Conduct require that contact with government agencies, whether it be in the cause of constituent casework, legitimate oversight or inquiries into official action, not be for “political... considerations.”

Conclusion

Upon entering office, Members of the U.S. House of Representatives are expected to adhere to the highest ethical standards. The clearest expression of these standards is found in the Code of Official Conduct (Rule XXIII of the *Rules of the House of Representatives*), which instructs a Member to “conduct himself at all times in a manner that shall reflect credibly on the House” and to “adhere to the spirit and the letter of the Rules of the House.”

Beyond the Code of Official Conduct, which applies only to the House of Representatives, Members are bound to abide by an extensive body of rules, regulations, and statutes relating to the appropriate conduct of all individuals in the service of the Federal government.

Finally, Members are expected to obey the same laws that apply to their constituents. No person, including a Member of Congress, is above Federal, state, or local law.

The complaint filed with the Committee on Standards of Official Conduct alleges that Representative DeLay failed to comply with the rules of the House, Federal statutes, and the laws of his own state. If Members of Congress are to fulfill their ethical and legal obligations today and in the future, they must understand that ethical failures will be swiftly investigated and, if warranted, justly punished by a bipartisan committee of their peers. Majority Leader DeLay’s conduct demands such an investigation.

**UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT**

Hon. Chris Bell, M.C.
Complainant

Hon. Tom DeLay, M.C.
Respondent

COMPLAINT

Parties

1. Chris Bell is a duly elected member of the 108th Congress from the 25th District of Texas.

2. Tom DeLay is a duly elected member of the 108th Congress from the 22nd District of Texas.

Jurisdiction

3. This complaint is brought pursuant to House Rule X, cl. 1(p), which assigns to the House Committee on Standards of Official Conduct (“Ethics Committee”) jurisdiction over all matters pertaining to the House *Code of Official Conduct*, which is codified at House Rule XXIII. In addition, House Rule XI, cl. 3(b)(2)(A) provides that the Ethics Committee may “undertake an investigation relating to the official conduct of an individual Member . . . or employee of the House only . . . upon receipt of information offered as a complaint in writing and under oath, from a Member . . .”

Introduction

4. Since first assuming a position in the House Leadership, Representative Tom DeLay has engaged in a concerted and relentless effort to use the official resources

of office to advance and underwrite a program of blatantly partisan political activities in violation of rules, statutes and standards of conduct applicable to Members.

5. These offenses include: 1) the illegal solicitation of political contributions from corporations such as Westar Energy in return for official action benefitting such corporations; 2) the misuse of a political action committee to launder illegal corporate contributions and direct those funds to candidates for the Texas State Legislature; and 3) the improper use of office to importune federal agencies to search for and interdict state legislators absent from the state legislative session in Texas.

6. Given Mr. DeLay's blatant disregard for the law and for House rules, I respectfully request that this Committee open an investigation into Mr. DeLay's improper activities as detailed below.¹

Count I (Westar)

7. Congressman DeLay violated 18 U.S.C. §201(b)(2), as well as clause 3 of House Rule XXIII (the *Code of Official Conduct*), by soliciting campaign contributions from Westar Energy in return for legislative assistance on the energy bill. 18 U.S.C. §201(b)(2) prohibits public officials from seeking, receiving, accepting or agreeing to accept anything of value in return for doing or omitting to do any act in violation of that official's official duty. Clause 3 of Rule XXIII provides that "[a] Member . . . of the House may not receive compensation and may not permit compensation to accrue to his

¹Notably, Rep. DeLay has been privately rebuked previously by the Committee on Standards of Official Conduct for linking official action and partisan or political considerations after he impermissibly sought to force a lobbying organization to refrain from hiring a Democrat as its president. Despite that 1999 rebuke, Mr. DeLay has continued to flout House rules and standards of conduct.

beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in Congress.”

8. On May 17, 2002, Douglas Lawrence, Westar’s Vice-President for Public Affairs, sent a memo to Westar executives outlining a plan for Westar and its executives to contribute approximately \$31,500 in hard money and \$25,000 in soft money to Members of Congress and their political action committees. The memo included a chart showing how much each executive needed to contribute and to which campaigns those contributions should be directed (memo reproduced from Westar’s website attached as Exhibit A).

9. On May 20, 2002, another Westar executive, Douglas Lake, sent an e-mail to Doug Lawrence asking “who is Shimkus, who is Young. Delay [sic] is from TX what is our connection? . . . I am confused.” Lawrence e-mailed a reply to Lake, explaining that the donations were needed for Westar to “get a seat at the table,” in effect clearing the way for the passage of an amendment to the energy bill that would have saved Westar billions of dollars (e-mail reproduced from Westar’s website attached as Exhibit B).

10. Lawrence responded to Lake’s e-mail stating:

[t]he total of the package will be \$31,500 in hard money (individual) and \$25,000 in soft money (corporate). Right now we have \$11,500 in immediate needs for a group of candidates associated with Tom Delay [sic], Billy Tauzin, Joe Barton and Senator Richard Shelby. Delay [sic] is the House Majority Leader. His agreement is necessary before the House Conferees can push the language we have in place in the House bill. Shimkus is a close associate of Billy Tauzin and Joe Barton, who are key House Conferees on our legislation. They have made this request in lieu of contributions made to their own campaigns.

Id.

11. In May 2002, Westar executives then contributed \$58,200 to various campaigns and to political action committees. A chart detailing Westar executives' political donations shows that Douglas Lake, the executive who had never heard of John Shimkus, contributed \$1,000 to Mr. Shimkus' campaign. Chart compiled by Public Citizen from Center for Responsive Politics data (attached as Exhibit C).

In addition, Mr. Tauzin's political action committee, the Bayou Leadership PAC, received \$2,800 and Mr. Barton's PAC, the Texas Freedom Fund, received \$4,000. Id. Finally, Mr. DeLay's PAC, Texans for a Republican Majority, received \$25,000 from Westar – the exact amount Douglas Lawrence earmarked for soft money contributions. Id.

12. On September 18, 2002, in the conference on the energy bill, Mr. Barton inserted the Westar provision. The next day, Mr. Barton, who held Mr. Tauzin's proxy, defeated Congressman Edward Markey's motion to strike the Westar provision on a party line vote of 8 to 6. During the discussion of Mr. Markey's motion, Mr. Barton stated, "[t]his particular provision benefits one company. That company is . . . Western Resources [former name of Westar] in Topeka, Kansas." Juliet Eilprin, *Westar Lobbyist's Role Detailed; Firm's Representative Attended 2 GOP Lawmakers' Fundraisers*, The Washington Post, June 10, 2003 (attached as Exhibit D).

13. If Mr. DeLay sought political donations from Westar in return for his support of the Westar amendment, he violated 18 U.S.C. §201(b)(2)(A), a criminal statute prohibiting a public official from, "directly or indirectly," seeking, receiving, accepting, or agreeing to receive anything of value personally or for any other person or entity in return for being influenced in the performance of an official act. He also

violated the federal gratuity statute, 18 U.S.C. 201(c), which provides that a public official who demands, seeks or agrees to receive anything of value for or because of any official act performed or to be performed by such official is guilty of an offense.

14. In addition to being illegal, the conduct of Rep. DeLay also violated clause 3 of House Rule XXIII which provides:

A Member, Delegate, Resident Commissioner, officer, or employee of the House may not receive compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in the Congress.

15. An April 25, 1997, “Memorandum For All Members, Officers and Employees” issued by the Committee on Standards of Official Conduct clarified this rule, providing:

House Members, officers and employees are generally *prohibited* from asking for anything of value from a broad range of persons: specifically, anyone who seeks official action from the House, does business with the House, or has interests which may be substantially affected by the performance of official duties.

(Memo attached as Exhibit E).

16. Moreover, even if the Committee is not convinced that Rep. DeLay solicited a bribe in violation of federal law, a May 11, 1999, “Memorandum For All Members, Officers and Employees” gives the Committee on Standards of Official Conduct authority to take action. In that memorandum, the Committee approvingly quoted the *Code of Ethics for Government Service*, which provides that government officials should “[n]ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not.” (Memo attached as Exhibit F). The Committee specifically stated that the provisions in the *Code of Ethics for*

Government Service are applicable to House Members, and that formal charges may be brought against a Member for violating that code. Id.

17. As a result, even without finding that Rep. DeLay solicited money in violation of 18 U.S.C. §201(b)(2) or clause 3 of House Rule XXIII of the *Standards of Official Conduct*, the Standards of Official Conduct Committee should still find that Rep. DeLay was “dispensing special favors” in violation of the House Rules.

18. Finally, the Ethics Committee has used as a basis for disciplinary proceedings and punishment of Members the acceptance of bribes and gratuities under these statutes. *In the Matter of Representative Mario Biaggi*, H.R. Rep. No. 100-506, 100th Cong., 2d Sess. (1988) (recommending expulsion of the Member from the House) (attached as Exhibit G); *In the Matter of Representative Daniel J. Flood*, H.R. Rep. No. 96-856, 96th Cong. 2d Sess. (1980) (attached as Exhibit H).

19. Thus, the Westar “get a seat at the table” e-mail, together with the temporal proximity of the contributions and the legislative action taken regarding the “Westar amendment” establishes a *prima facie* case that Rep. DeLay violated both federal statutes and House rules.²

Count II (TRMPAC)

20. On September 5, 2001, Representative DeLay formed a Texas based political action committee, “Texans for a Republican Majority Political Action

²In a similar situation, Rep. DeLay has received numerous contributions from Bacardi U.S.A. and its PAC, including a \$20,000 contribution to DeLay’s Texans for a Republican Majority PAC. See TMPAC 8872, filed 8/12/02 (attached as Exhibit I). In return for Bacardi’s financial support, DeLay has pushed a piece of legislation -- often referred to as “the Bacardi bill” -- that would alter U.S. trademark rules to benefit Bacardi. This bill is opposed by the U.S. business community, including such well-known American companies as Caterpillar, Kodak, General Motors and DuPont.

Committee” (“TRMPAC”), for the purpose of seeking Republican majority control of the Texas Legislature. TRMPAC, which operates under Texas law for the purpose of influencing state elections, is a companion to another of Rep. DeLay’s PACs, the federally registered “Americans for a Republican Majority.” Rep. DeLay appointed one of his top aides, Jim Ellis, as director of TRMPAC and the PAC’s treasurer was Bill Ceverha, another former Republican lobbyist with close ties to Rep. DeLay.

21. In the fall of 2001, TRMPAC received \$50,000 in seed money from ARMPAC³ as well as \$25,000 from Ceverha’s boss, Louis Beecherl, and \$25,000 from Houston real estate developer Bob Perry. Jake Bernstein and Dave Mann, *The Rise of the Machine*, The Texas Observer, at 5, August 29, 2003 (attached as Exhibit K). TRMPAC spent in excess of \$1.5 million in corporate and individual funds in the 2002 Texas state elections to help Republicans win a majority in the Texas Legislature.

22. According to IRS documents, TRMPAC received \$1.5 million in contributions and spent \$1.4 million during the 2002 election cycle. Id. This contrasts, however, with what TRMPAC told the Texas Ethics Commission it raised and spent. Of the \$751,285 in contributions TRMPAC didn’t report to the state, at least \$602,300 was corporate money. Id.

23. TRMPAC director Jim Ellis has claimed that TRMPAC operates with two accounts, one for hard money and one for soft money. According to Ellis, the soft money

³In the Internal Revenue Service reporting period covering October 1, 2002 through October 16, 2002, TRMPAC received an additional \$25,000 from ARMPAC. See TRMPAC 8872, filed 10/22/02 (attached as Exhibit J). This brings the total TRMPAC received from ARMPAC during the 2002 election cycle to \$75,000.

account housed \$751,285 which was spent on “administrative expenses” and which he claims did not need to be reported to the state. *Rise of the Machine* at 5.

24. On March 31, 2003, Texans for Public Justice (“TPJ”) filed a complaint with Travis County District Attorney Ronald Earle claiming that TRMPAC violated Chapter 253 of the Texas Election Code by failing to report political contributions and expenditures incurred by the PAC. Letter from Craig McDonald, Director, Texans for Public Justice to Honorable Ronald Earle, March 31, 2003 (attached as Exhibit L).

25. According to TPJ, a review of public disclosure records filed by TRMPAC with the Texas Ethics Commission and the Internal Revenue Service reveals that the PAC raised a total of \$1,547,963 in funds from a combination of individuals, political action committees and corporations, and expended a total of \$1,410,766 between September 5, 2001 and November 23, 2002. Id. At a minimum, \$602,300 of those funds appear to have been contributed by corporations which, under the Texas Election Code, are prohibited from contributing to TRMPAC to fund any state election activities. Id. Contributions from corporations may only be used to pay for “the establishment or administration of a general purpose political committee.” V.T.C.A., Election Code §253.100.

26. TRMPAC also reported contributions from non-Texas political committees such as ARMPAC, which may include contributions from corporate sources. Contribution and expenditure reports filed by TRMPAC with the Texas Ethics Commission reveal that TRMPAC listed a total of \$796,651 in political contributions and \$799,626 in political expenditures. Id.

27. TRMPAC's IRS 8872 filings also include the \$791,500 in political expenditures itemized in TRMPAC's Ethics Commission filings, but the 8872s show an additional \$619,266 in expenditures, many of which appear to be political expenditures not reported to the Texas Ethics Commission. Id.

28. In essence, a review of the contributions TRMPAC reported to the IRS suggests that TRMPAC did not raise enough non-corporate funds to pay for all of its expenditures. This means that some of TRMPAC's expenditures must have illegally been paid for with corporate contributions.

29. Moreover, many of the expenditures TRMPAC admits to making with corporate dollars were clearly illegal. Under Texas law, corporate money may be used only for the administrative expenses associated with a campaign and the Texas Ethics Commission has narrowly defined such expenses. In an advisory opinion, the Commission stated "our guide for determining whether a particular expense is 'administrative' is whether the expense is one that would be incurred in the normal course of business by any active organization whether or not it engaged in political activity." Texas Ethics Commission, Ethics Advisory Opinion No. 132, at 2-3, April 1, 1993 (attached as Exhibit M).

30. The Commission further notes that "if a staff member is compensated for engaging in political activities, such as the solicitation of contributions in connection with an election . . . that would not be an administrative expense." Id. at 3. Similarly, "any portion of the costs of printing, stationery, and postage attributable to the to the solicitation of contributions or other support for the committee . . ." would not be an administrative expense. Id.

31. When considered in light of this opinion, it is glaringly obvious that many of the costs paid for by TRMPAC during the 2002 election cycle -- including the costs of polling, political consultants and phone banks – cannot be defined as “administrative expenses.” As a result, it can fairly be inferred that TRMPAC knowingly violated the law by paying for these services with corporate dollars.

32. Further suggesting the illegal dissemination of corporate money to state candidates is a transaction involving TRMPAC director Jim Ellis and the Republican National Committee. On September 10, 2002, TRMPAC treasurer John Colyandro sent TRMPAC accountant Russell Anderson an email asking Anderson to “send a blank soft dollar account check to Jim Ellis.” Colyandro further noted that the check needed to arrive the next day. E-mail from John Colyandro to Russell Anderson, September 10, 2002 (attached as Exhibit N). On September 26, 2002, Anderson wrote to Colyandro: “I need the details on the \$190,000 check written by Jim Ellis to the RNC.” E-mail from Russell Anderson to John Colyandro, September 26, 2002 (attached as Exhibit O).

33. Within the next three weeks, the Republican National Committee (“RNC”) wrote \$190,000 checks ranging from \$20,000 to \$40,000 to seven Texas candidates. *See* Christy Hope and George Kuempel, *DA examining donations from DeLay linked PAC, State Republican group denies laundering money through RNC, DeLay aide denies wrongdoing*, The Dallas Morning News, February 19, 2004 (attached as Exhibit P). Mr. Ellis claimed the fact that he wrote a \$190,000 check to the RNC and that the RNC sent out \$190,000 of checks to Texas candidates was a “coincidence.” *Id.*

34. The implication of this transaction is that TRMPAC and the RNC engaged in money laundering and a conspiracy to launder money. TRMPAC, as demonstrated

through its own email, gave the RNC \$190,000 in soft money which it could not have given to candidates, and the RNC turned around and gave exactly \$190,000 to Texas candidates. Given that TRMPAC is a state organization dedicated to the election of state officials, it is impossible to imagine why TRMPAC would have given the money to the federal RNC unless assured that Texas state candidates would ultimately receive that money.

35. Further linking ARMPAC and TRMPAC: on August 19, 2003, Jim Ellis, now ARMPAC's director, sent an e-mail from current TRMPAC director John Colyandro's computer to numerous Capitol Hill staff telling them, "it is very important that the congressional members talk to their [State] Senators" to stress the importance of a particular redistricting map that, among other things, was "the only way to eliminate Frost, Edwards, and Doggett." In the wake of the Bi-Partisan Campaign Reform Act, ARMPAC and TRMPAC should no longer even be related entities. (e-mail attached as Exhibit Q).

36. Other questions about TRMPAC's activities arise out of its association with the Texas Association of Business ("TAB"). TAB was run by another DeLay associate, Bill Hammond. Hammond, DeLay, House Speaker Tom Craddick, Republican consultant Bill Ceverha and Texas Governor Rick Perry's chief of staff, Mike Toomey, all served in the Texas Legislature together in 1983. *Rise of the Machine* at 3. Currently, a Texas grand jury is considering whether TRMPAC illegally coordinated its activities with TAB in order to help Republican candidates win 2002 state elections. TRMPAC donated \$10,200 to TAB in April 2002. See TRMPAC 8872, filed May 13, 2002 (attached as Exhibit R). Further suggesting illegal coordination, when asked about TAB,

Jim Ellis characterized TRMPAC and TAB as “allies” and stated “[w]e certainly liked what they were doing.” *Rise of the Machine* at 7.

37. Finally, although Texas law prohibits the use of economic incentives to influence the election of Speaker, TRMPAC conspired with now-Speaker Tom Craddick to have Craddick personally and illegally distribute \$152,000 of TRMPAC funds to 14 candidates while Craddick was pursuing the Speakership. Jake Bernstein and Dave Mann, *Scandal in the Speaker’s Office: A campaign finance scandal threatens to swallow Tom Craddick*, The Texas Observer, pp. 2-3, February 27, 2004 (and enlarged copy of invitation) (attached as Exhibit S).

38. On October 18, 2002, TRMPAC executive director John Colyandro e-mailed TRMPAC accountant Russell Anderson with instructions for the cash disbursements Craddick was to hand out. The e-mail’s subject line was “Hard \$ checks.” Colyandro wrote:

You should receive a check from Jim Leininger [a large Republican donor] today. I have another \$100,000 that I will give you this morning. You need to cut checks for the following totals and have them Fed Ex’ed for Monday delivery to Tom Craddick at the following address.

The address, “500 West Texas, Suite 880, Midland, Texas, ATTN Susan Wynn” was the address for Craddick’s district office and Susan Wynn was the head of that office . Id. at 5.

39. Moreover, when Craddick called a press conference to announce that he had collected enough pledges from House members to be named Speaker, the invitation to that press conference included the phrase “paid for by Texans for a Republican Majority” on the bottom. Id. at 2.

40. Not only did TRMPAC conspire with Craddick to violate the law banning a candidate for Speaker from providing a campaign contribution to a House member in exchange for that member's vote in the Speaker election; TRMPAC and Craddick also appear to have violated another Texas law that expressly bans political action committees from providing "money or things of value" to aid or defeat a Speaker candidate. *Id.* at 7.

41. Rep. DeLay is clearly tied to TRMPAC and these illegal activities. Not only did he create the organization, he was the head of TRMPAC's advisory board and was integrally involved in its administration. R.G. Ratcliffe, *Old law gives DeLay new trouble/Travis DA investigates if committee violated 1907 ban on using corporate funds in elections*, Houston Chronicle, March 1, 2004 (attached as Exhibit T). According to the deposition testimony of John Colyandro, there were regular conference calls "to discuss matters related to the overall administration of the committee." Colyandro testified that "when it came to broadly making decisions about who, which candidates we would support and with what amount of financial assistance, at that point the advisory board was involved with those types of decisions." *Id.*

42. Similarly, an October 4, 2002, memo from TRMPAC fundraiser Susan Lilly discussed an upcoming conference call with donors in which Rep. DeLay would "update everyone on TRMPAC's efforts to date and to discuss our strategy for victory in the final weeks of the campaign." *Id.*

43. In combination, these facts demonstrate that Rep. DeLay used TRMPAC to illegally funnel corporate money to state races. Such conduct is a third degree felony punishable by imprisonment for a term of between two and ten years. V.T.C.A., Election Code §253.094, §253.095; V.T.C.A., Penal Code §12.34. Rep. DeLay engaged in this

pattern of illegal conduct for the purpose of stealing control of the state House for the Republicans so that he could then push through a radical redistricting plan designed to eliminate Texas Democratic seats in the United States Congress.

Count III (Misuse of Federal Resources)

44. In 2003, Texas Republicans, following a plan laid out by Rep. DeLay, embarked on a redistricting effort intended to gerrymander Texas congressional districts for the purpose of obtaining a majority of congressional districts for Republican candidates.

45. In a well publicized effort to prevent the Texas State Legislature's Republican majority from running roughshod over the reapportionment power and subvert the normal decennial redistricting process, Democratic members of the Texas Legislature absented themselves from its sessions, a matter entirely intramural to the state of Texas.

46. To deprive the Texas House of a quorum, approximately 50 Democratic members left the state for Oklahoma. Some left on Sunday May 11, 2003 and some on Monday May 12, 2003. H.R. Rep. No. 108-220 108th Cong. 1st Sess. at 2 (2003) (attached as Exhibit U).

47. On May 12, 2003, the Texas House of Representatives instructed its Sergeant-at-Arms to return the absent members to the House. The Sergeant-at-Arms then asked the Texas Department of Public Safety ("DPS") to secure the return of the absent members, using extradition if necessary. Id.

48. Also on May 12, 2003, the Texas DPS asked the Federal Aviation Administration ("FAA") to provide assistance in locating an airplane that was believed to

be flying some of the absent legislators out of Texas; Rep. DeLay's Congressional office contacted the FAA to request the same assistance; and the Federal Air and Marine Interdiction Coordination Center contacted the FAA as a result of inquiries made by the Texas DPS. Id. at 3-4.

49. In their initial phone call to the FAA, Rep. DeLay's staff gave the FAA the tail number of Texas State Rep. Pete Laney's aircraft and, without providing any explanation for the request, asked the FAA to find the aircraft. The FAA tracked the plane and advised Mr. DeLay's staff that the aircraft was due to land in Ardmore, Oklahoma. It was only through the call made by Rep. DeLay's staff that he and the Texas State Republicans learned that the Democratic legislators were in Ardmore. Id. at 7.

50. According to the Department of Transportation's Inspector General, the request for information regarding the location of Rep. Laney's airplane required at least 13 FAA officials at several different facilities to check records and contact other FAA officials in an effort to locate the plane. H.R. Rep. 108-220 at 8. The FAA instituted a safety "alert" on the Laney plane for the region covered by the FAA's Dallas-Ft. Worth Control Center. Under the alert, a message was sent to all 29 air traffic control facilities and airport towers in the region asking if they had any information about the aircraft. Id.

51. Armed with the location of the absent legislators, the next day, May 13, 2003, counsel to Rep. DeLay telephoned the Department of Justice's Assistant Attorney General in the Office of Legislative Affairs requesting the Department's assistance in enforcing the "arrest" warrant issued by the Texas House Sergeant-at-Arms. Department of Justice, Office of the Inspector General, An Investigation of the Department of

Justice's Actions in Connection with the Search for Absent Texas Legislators, p. 4, August 12, 2003 (attached as Exhibit V). Rep. DeLay's counsel also contacted the United States Attorney for the Western District of Texas, Johnny Sutton, who asked his First Assistant U.S. Attorney, his Criminal Chief and a Deputy U.S. Attorney to consider whether the U.S. Attorney could authorize the filing of a federal complaint charging the legislators with unlawful flight to avoid prosecution in violation of federal law. Id. at 22. Eventually, Mr. Sutton reported back to Mr. DeLay's counsel that the U.S. Attorney's Office would not get involved in the matter. Id. In total, the Office of Inspector General found that Department of Justice employees received a total of nine requests for information or assistance in connection with the absent Texas legislators. Id. at 27.

52. Congressman DeLay's pressing the FAA, the United States Department of Justice and the Federal Bureau of Investigation to assist in locating the Texas state legislators constitutes an acknowledged improper use of federal resources in a political issue. *See* Eric Lichtblau, *Justice Department Rejected Idea of Joining Texas Disputes; Report Says DeLay's Office Sought Ruling*, New York Times, Aug. 13, 2003 at A14 (attached as Exhibit W).

53. The standards of conduct applicable to Members require that their contact with government agencies, whether it be in the cause of constituent casework, legitimate oversight or inquiries into official action, not be for "political... considerations." *See* Advisory Opinion No. 1 of the House Committee on Standards of Official Conduct, reprinted in 116 Cong. Rec., pp. 1077-78 (Jan. 29, 1970) (attached as Exhibit X).

54. Congressman DeLay's request to the FAA for the purpose of intervening in a matter within the proper domain of the Texas Legislature and to seek to intimidate,

coerce and apprehend Democratic state legislators in a redistricting matter to advantage the Republican party constitutes a breach of the standard of conduct outlined in Advisory Opinion No. 1, which is binding on all Members.⁴

Conclusion

The United States Constitution gives the House of Representatives – and only the House of Representatives – the power to create its own rules and the power to police its Members. As a result, it is incumbent upon Members of the House of Representatives to protect the integrity of the House. In fact, the Committee on Standards of Official Conduct was created for this purpose.

Unfortunately, in recent years it appears that Congress has abdicated this responsibility. Congressman DeLay's ability to flout federal law, Texas state law and the House Standards of Official Conduct over a period of years without reprisal is proof of this abdication of responsibility. This complaint offers the House of Representatives, acting through the Committee on Standards of Official Conduct, the opportunity to

⁴ Rep. DeLay clearly remains unrepentant for his improper conduct regarding this incident. More recently, in March 2004, DeLay asked the Treasury Department to calculate the cost of Senator John Kerry's proposed tax plan despite the fact that federal law bars government officials from working on political campaigns. The Department's analysis, which included the claim that Kerry's plan would raise taxes on "hardworking individuals and married couples" was posted on the Treasury Department web site and, on the same day, Mr. DeLay passed the analysis to the Republican National Committee which then issued a press release claiming that Kerry planned to "raise taxes on the top income bracket." Bob Davis, *GOP Use of Treasury to Analyze Kerry Tax Plan Raises Questions*, The Wall Street Journal, March 31, 2004 (attached as Exhibit Y).

Former Reagan administration Treasury tax official Eugene Steuerle said that using the analysis of the Kerry plan for political purposes "stepped over the line" that protects career officials from political influence. Id.

uphold the integrity of the House by initiating an immediate, thorough and non-partisan investigation of Congressman DeLay's conduct.

Respectfully submitted,

Chris Bell
Member of Congress
Texas – District 25

Sworn to and subscribed before me this ____th day of June, 2004.

Notary Public

Biography of Congressman Chris Bell

June 15, 2004

Since taking office on January 7, 2003, U.S. Representative Chris Bell has been committed to bringing the voice of the 25th district to Washington. As a former Houston City Council Member, Chris Bell earned a reputation as an independent thinker with a common sense approach to governing. He has built an exceptional public service career around defending the truth, championing the people's issues and maintaining the integrity of public office.

As a candidate for Houston's City Council, Chris Bell pledged to fight for more transparency and accountability in city government. While on City Council, he authored and passed landmark ethics reforms and the City's only property tax rate rollback in recent times. As the creator and first Chairman of the City's Ethics Committee, Bell developed and passed an aggressive ethics platform. At a time when ethics violations plagued city politics, Chris Bell crafted the most expansive campaign and ethics reform bills ever instituted in a municipality. These far-reaching reforms limited the use of soft money in municipal campaigns which ultimately limited the influence of business in city government.

Bell also drafted an ordinance, known as the "revolving door" policy, which now prohibits city employees from "cashing in" on their public service by lobbying city officials. His hard-lined approach to cleaning up the city earned him the praise and respect of his colleagues and community leaders alike.

The son of a decorated veteran, Congressman Bell was born on November 23, 1959, in Abilene, Texas. He first expressed interest in public service while attending the University of Texas at Austin, where he received a Bachelor of Journalism degree in 1982. While there he served as President of the Interfraternity Council and was named Omicron Delta Kappa Leader of the Year for his pivotal role in reviving the student government. Prior to receiving a law degree from South Texas College of Law in 1992, he pursued a successful career as an award winning television and radio reporter. In 1990, Bell was selected best radio reporter in the state by the Texas Associated Press for his keen ability to expose injustices, wrong-doings and inequalities.

During the Enron debacle that affected thousands of Houstonian's, Bell, joined by Democratic Leader Dick Gephardt, held a town hall meeting calling for corporate employee retirement security and executive accountability. Additionally, Bell executed a citywide campaign to educate employees on the importance of diversification of assets.

Within the House of Representatives, Congressman Bell serves on the [Financial Services Committee](#). Recently, Mr. Bell was appointed by the Democratic Whip, Steny Hoyer, to join him in the leadership organization as a "Senior Whip". This important promotion has given the constituents of the 25th District a strong voice at the decision making table in