

MEMORANDUM

TO: Interested Parties

FROM: Melanie Sloan

DATE: March 1, 2005

RE: Jack Abramoff's Ties to Members of Congress

Gist of Abramoff Scandal

High powered GOP lobbyist Jack Abramoff charged Indian tribes millions of dollars to represent them before Congress. Abramoff worked closely with Mike Scanlon, a former DeLay staffer who works in public relations, to scam the Indian tribes. In the most egregious action, Abramoff paid Christian activist Ralph Reed \$4.2 million to close down the Tigua's casino and then convinced the tribe to hire him to persuade Congress to pass legislation re-opening the casino. Thomas B. Edsall, Abramoff Allies Keeping Distance; Lobbyist Under Scrutiny for Dealings with Indian Tribes, *The Washington Post*, November 8, 2004.

Six tribes paid Abramoff and Scanlon a total of \$82 million between 2001 and 2004. Jon Kamman, Indian Political Donations Missing, *The Arizona Republic*, February 6, 2005. The Agua Caliente alone paid them \$10 million in a two year period. Doug Abrams, Indian Lobbying Probe Resumes Today, *The Desert Sun*, November 17, 2004. This tribe also contributed \$201,000 to candidates in '04 cycle, \$457,000 in '02 cycle, \$36,000 to 527s in '00 and '04, and gave \$300,000 to Abramoff for sky boxes. Id.

The Coushatta Tribe of Louisiana paid Abramoff and Sanlon \$32 million between 2001 and 2004. Susan Schmidt, Lobbyist, Firm Sued Indians Over Fees; La. Tribe Alleges Negligence, Fraud, *Washington Post*, November 17, 2004.

Abramoff also has a close relationship with Grover Norquist. Thomas B. Edsall, Abramoff Allies Keeping Distance, *The Washington Post*, November 8, 2004. The two were college Republicans together and, at Abramoff's direction, Norquist's organization, Americans for Tax Reform, has received substantial contributions from Indian tribes, including the Choctaw. Id.

Abramoff and Bob Ney

Abramoff convinced Bob Ney to assist the Tigua tribe in getting its casino re-opened after Abramoff and Reed shut it down. Former Ney Chief of Staff Neil Volz worked for Abramoff and contacted Ney's office about the Tigua casino while still subject to the one year

lobbying ban. Peter H. Stone, NRCC Lawyer Advising Ney, *National Journal*, December 11, 2004. At Abramoff's direction, the Tigua contributed \$32,000 to Ney in 2002 (\$30,000 to PAC and \$2,000 to campaign), just days after Ney sponsored the legislation sought by the tribe. Susan Schmidt and Jeffrey Birnbaum, Tribal Money Linked to GOP Fundraising; Skybox Events Were Not Always Reported to FEC, *The Washington Post*, December 26, 2004.

Ney now claims that he was tricked into supporting the tribe by Abramoff and Scanlon, who, Ney claims, told him that Chris Dodd was sponsoring similar legislation in the Senate. Kathy Thompson, Ney Talks About Charges of Impropriety, *Times Recorder*, December 21, 2004. This, however, is demonstrably false.

Though Ney claims to have abandoned the idea once he learned that Dodd did not favor the legislation, email between Abramoff and Scanlon indicates that Ney met with Dodd on July 22, 2002 but that Ney met with tribal leaders after that – in August – to discuss ways to pass the legislation. Sabrina Eaton, Ney Says He Has Nothing to Fear from Investigation of Lobbyists, *The Cleveland Plain Dealer*, December 10, 2004. In one of the Senate hearings on the subject, Sen. Dorgan asked Tigua consultant Marc Schwartz what happened when he met with Ney in late August and Mr. Schwartz replied that Ney told him that he was trying to work out a problem with the Tigua's legislation. Operation Open Doors, *The Washington Post*, December 3, 2004.

Apparently, Ney's staff was trying to persuade Dodd's staff to include the provision in the election reform bill going through the Senate. Unable to convince Dodd to go along with this plan, Ney told the tribe that Dodd had gone back on his word, and had stripped out the gaming provision from the election reform bill. David Lightman, Dodd Denies Role in Casino Says Lobbyists Used His Name Without Permission, *The Hartford Courant*, November 18, 2004. Upon learning of Dodd's alleged change of heart, the Tigua asked other lawmakers to contact Dodd and ask why Dodd had changed his mind. Brody Mullins and John Bresnahan, Ney Linked to Abramoff Deal; Ohioan Claims He Was 'Duped', *Roll Call*, November 18, 2004. Only then did the tribe discover that Dodd knew nothing about the alleged agreement. Id.

In a separate matter, Foxcom Wireless, an Israeli financed telecommunications company hired Abramoff to lobby Ney to award a contract to Foxcom to install cell phone antennas throughout House office buildings. Foxcom was awarded the contract. John Bresnahan, Ney, Abramoff Have Long Ties, *Roll Call*, December 6, 2004.

Sky Boxes

Several tribes gave Abramoff money to maintain sky boxes at Washington area arenas. For example, the Agua Caliente tribe gave Abramoff \$300,000 for sky boxes in the 2004 election cycle. Schmidt and Birnbaum, Tribal Money Linked to GOP Fundraising, *The Washington Post*, December 26, 2004.

Several Members of Congress availed themselves of the opportunity to use the sky boxes without reporting to the FEC the contribution of the use of the boxes:

J.D. Hayworth apparently used the boxes 5 times without reporting them. Jon Kamman, Hayworth Didn't Report Value of Skybox Gifts, *The Arizona Republic*, December 29, 2004.

Abramoff listed John Doolittle as also using the boxes 5 times, though Doolittle claims he used a box only once, though he admits that he failed to report that to the FEC, *The Washington Post*, Dec. 26, 2004;

DeLay apparently held fundraisers in boxes at MCI Center on 5/7/2000 and at FedEx Field on 9/18/00 without reporting them, Id.; and

Ney used an MCI box on 3/15/01 without reporting it, though he later amended his FEC report to indicate that his former CoS Neil Volz made an in-kind contribution of the use of the sky box. Id.

Abramoff and Tom DeLay

DeLay once referred to Abramoff as “one of his closest and dearest friends,” while on a trip to the Mariana Islands, where DeLay became Abramoff’s ally in an effort to fight democratic attempts to impose wage, hour and immigration regulations on the islands. Edsall, *The Washington Post*, Nov. 8, 2004. Abramoff has also been a member of DeLay’s “Congressional Council,” which DeLay describes as a “special group of supporters.” B. Jeffrey Smith, Foundation’s Funds Diverted From Mission; Records Detail Spending of GOP Lobbyist Abramoff, *The Washington Post*, September 28, 2004.

In addition, Abramoff convinced DeLay to oppose a proposal taxing Indian casinos, explaining that tribes could become Republican allies and in 1995, DeLay publicly stated that Abramoff was important part of the effort to move the tribes toward the Republicans. Edsall, *The Washington Post*, Nov. 8, 2004.

In June 2003, Abramoff persuaded DeLay to organize a letter, co-signed by Speaker Hastert, Whip Roy Blunt and Deputy Whip Eric Cantor to endorse a view of gambling law benefitting the Coushatta Tribe’s aim of blocking gambling competition by another tribe. Smith, *The Washington Post*, Sept. 28, 2004. The letter was sent to Gale Norton, opposing a plan by a Choctaw tribe to open a casino not far from that of the Coushatta. Id.

Since 1997, Abramoff and his wife have contributed \$40,000 to DeLay’s PACs and in 2003, Abramoff’s own charity, the Capital Athletic Foundation, donated \$25,000 to the DeLay Foundation for Kids. Id.

The Saginaw Chippewa donated \$25,000 to the Capital Athletic Foundation in 2002 and \$25,000 to NRCC in 2003 in the belief it would impress DeLay. Id.

From May 25 to June 3, 2000, Abramoff accompanied DeLay and his wife on a trip to England and Scotland, sponsored by conservative think tank National Center for Public Policy Research. Peter H. Stone, Abramoff's and DeLay's Foreign Adventures, *National Journal*, February 26, 2005. Expenses for the trip totaled about \$70,000, including costs for DeLay, his wife, his then Chief of Staff Susan Hirschmann and her husband and for another DeLay aide, Tony Rudy. Id.

When Abramoff filed his expense reports with his firm, he billed the costs to the Mississippi Choctaw. Abramoff requested reimbursement for the DeLays' hotel bill in the amount of \$4,285.35. Id. House rules, however, prohibit Members from accepting travel expenses from lobbyists. Id.

Abramoff was on the Center's board of directors and one of the its largest payments was a consulting fee of \$1.28 million in 2003 to a private company controlled by Abramoff, Kaygold. Apparently, the Center also received a \$1.07 million donation from the Mississippi Choctaw. Id.

In addition, in 1997, the Center sponsored a trip to Russia for DeLay and his top staffers at a cost of about \$60,000. Stone, *National Journal*, Feb. 26, 2005. Notably, the Center has been sending solicitations to seniors attempting to scare them into believing that Social Security is on the verge of collapse and that a donation to the Center will help prevent such a disaster. John Byrne and Larisa Alexandrovna, Social Security scams helped fly House GOP Leader on London, Moscow Junkets, *The Raw Story*, February 28, 2005 (<http://rawstory.com/news/2005/index.php?p=134>). The Center has refused to explain how it spends the money generated through such solicitations. Id.

According to one former GOP House leadership aide, the deal was that Abramoff "raised money for DeLay's pet projects" and "took care of his top staff. In turn, they granted him tremendous access and allowed him to freely trade on DeLay's name." Stone, *National Journal*, Feb. 26, 2005.

Abramoff and Richard Pombo

The House Resources Committee has jurisdiction over Indian affairs, but the Chairman, Richard Pombo, has refused to hold hearings on the Abramoff affair. Sergio Bustos, Lawmakers Want House to Investigate Lobbyist Work with Tiguas, *Gannett News Service*, October 7, 2004.

Five months after becoming chair of House Resources, in June 2003 Pombo created Rich PAC and in under a year, the PAC raised \$300,000. Erica Werner, Pombo's PAC Pulls Big Bucks, *Contra Costa Times*, June 22, 2004. 31 Indian tribes donated a total of \$76,500 to the

PAC. At least eight tribes and tribal lobbyists – including Abramoff – gave the PAC the maximum of \$5,000. Id.

Abramoff and John Doolittle

John Doolittle's wife, Julie Doolittle, received 10% commissions for arranging fundraisers for her husband John Doolittle and his PAC pays her business. David Whitney, Doolittle's PAC Pays His Wife's Firm; The Company Has Received \$28,000 For Setting Up Fundraisers, *The Sacramento Bee*, August 15, 2004. Ms. Doolittle also helped plan a fundraiser for Abramoff's Capital Athletic Foundation. Paul Kane, Rep. Doolittle's Wife Gets Subpoenaed, *Roll Call*, July 29, 2004. In addition, John Doolittle has received \$7,000 in campaign and pac contributions from the Abramoffs and he used one of Abramoff's skyboxes without reporting the in-kind contribution to the FEC. Schmidt and Birnbaum, *Washington Post*, Dec. 26, 2004.

Abramoff and Grover Norquist

Abramoff and Norquist met when both were college Republicans and stayed in touch over the years. Edsall, *The Washington Post*, Nov. 8, 2004. When the Choctaw tribe hired Abramoff to stop tribes from being taxed on casino earnings, Abramoff told the tribe to contribute money to Norquist's group, Americans for Tax Reform. Id. ATR then publicly opposed the notion of taxing tribal casinos. Id.

Capital Athletic Foundation ("CAF")

The Capital Athletic Foundation is a 501(c)(3) organization started by Abramoff in 2000 with only \$12,850. Smith, *The Washington Post*, Sept. 28, 2004. In 2001, CAF received \$1 million from the Coshatta and \$177,415 from Foxcom. Id. The Coshatta apparently believed that the donation was for a sky box from which Abramoff would lobby Members of Congress during Redskins games. Id.

In 2002, CAF collected \$2.56 million from 9 donors including 3 tribes. Id.

In 2003, CAF collected \$2.15 million from tribes, Mike Scanlon and an internet casino client of Abramoff's. \$2.13 million of the money went to the Eshkol Academy, a school started by Abramoff. Id.

In a Feb 2003 email, Abramoff told Scanlon to make sure that his share of money went to Eshkol directly – "using school as conduit for some of our activities . . . If that won't fly with them, use CAF." Id.

CAF also paid \$120,000 in August 2002 for Abramoff, Ney, Ralph Reed and then-General Services Administration Chief of Staff David Safavian to St. Andrews to play golf with

a stop in London on way back. Ney later claimed that the trip's purpose was to raise money for a foundation, but there were no fundraising events during the course of the trip. Id.

Abramoff Campaign Contributions

In the last two election cycles, the following members and/or pacs associated with these members received contributions from Abramoff or his wife, Pam. These figures do not include money donated by Indian tribes at Abramoff's suggestion (which will be the subject of a later memo). All figures were obtained from the web site, www.opensecrets.com, maintained by the Center for Responsive Politics:

Heather Wilson	\$1,000
John Doolittle	\$7,000
Jack Kingston	\$1,000
Dennis Hastert	\$2,500
Frank LoBiondo	\$1,000
Marilyn Musgrave	\$1,000
Charles Pickering	\$1,000
Mike Simpson	\$1,000
Robert Simmons	\$2,000
Curt Weldon	\$1,000
Saxby Chambliss	\$1,000
Conrad Burns	\$5,000
Richard Shelby	\$1,000
Kit Bond	\$1,500
Charles Taylor	\$2,000
Charles Grassley	\$7,000
Gordon Smith	\$2,000
Thad Cochran	\$1,000
James Inhofe	\$2,000
Jim Talent	\$1,000
Phil Gingrey	\$500
Ernest Istook	\$1,000
John Ensign	\$8,000
Tom DeLay	\$17,000
Bob Ney	\$3,500
Ralph Regula	\$1,000
Butch Otter	\$1,500
Ric Keller	\$1,000
Michael Oxley	\$2,000
Doug Ose	\$1,000
Roy Blunt	\$1,000
Dennis Rehberg	\$1,000
Chris Cannon	\$2,000

Eric Cantor	\$7,000
Randy Forbes	\$1,000
Mike Ferguson	\$1,000
Johnny Isakson	\$4,000
Richard Pombo	\$7,000
Melissa Hart	\$5,000
Jim Bunning	\$1,000
Dana Rohrbacher	\$1,000
Arlen Specter	\$4,000
Tom Feeney	\$1,000
Mark Foley	\$2,000