

March 14, 2011

The Honorable Barbara Boxer, Chair
The Honorable Johnny Isakson, Vice Chair
Select Committee on Ethics
U.S. Senate
Room 220 Senate Hart Office Building
Washington, D.C. 20530

BY MAIL

Re: Request for Investigation into Senator Claire McCaskill

Dear Chair Boxer and Vice Chair Isakson:

The Missouri Republican Party respectfully requests that you begin an investigation into Senator Claire McCaskill's (D-MO) apparent violations of Senate Rules 37 and her misuse of taxpayer dollars for political purposes.

Claire McCaskill's Violations of Senate Rule 37

Senator McCaskill's payment of U.S. taxpayer dollars to her and her husband's own company to fund her own travel aboard her own private aircraft, while apparently drawing personal profits from that company for those very plane "rentals" violates Senate Rule 37.

Senator McCaskill has spent at least \$75,990 of taxpayer funds to pay for 89 flights aboard a private corporate plane of Timesaver, LLC ("TS LLC"), a company that she co-owns with her husband. *See* Henry C. Jackson, "McCaskill to Return Money Spent on Private Flights," *Associated Press*, Mar. 9, 2011; Scott Wong and John Bresnahan, "Claire McCaskill to Return \$88k to Treasury for Charter Flights," *Politico*, Mar. 9, 2011; Report of the Secretary of the Senate, *Expenditures for Office of Senator Claire McCaskill*, Oct. 1, 2006 – Sept. 30, 2010 (all attached as Exhibit A).

Further, contrary to her unqualified public denials, Senator McCaskill appears to have personally profited from reimbursing her own company with taxpayer dollars for her flights aboard her own private plane:

- Timesaver LLC is registered with the Federal Aviation Administration as the owner of Senator McCaskill's private plane. *See* Federal Aviation Administration Website, www.FAA.gov, accessed on Mar. 9, 2011 (attached as Exhibit B).
- Senator McCaskill's 2007 Senate Personal Financial Disclosure filing, attached hereto as Exhibit C, lists Timesaver LLC as a non-publicly traded asset and unearned income source.

- In 2007, Senator McCaskill reported Timesaver LLC as providing her with income from “rent” of between \$50,001 and \$100,000.

Senate Rule 37 governs conflicts of interest. The Senate Ethics Manual makes clear that Rule 37 exists to prohibit activities “which could represent a conflict of interest *or the appearance of a conflict* of interest.” Senate Ethics Manual, p. 66 (emphasis in original). As stated in the Manual:

[Rule 37] target[s] the possibility or the appearance that Members or staff are “cashing in” on their official positions (i.e., using their positions for personal gain) or that they have personal financial stakes in the outcomes of their official duties.”

Senate Ethics Manual, p. 66.

Senate Rule 37, paragraph 1, prohibits a Member “from receiving any compensation, or *allowing any compensation to accrue to the Member’s beneficial interest* from any source as a result of an improper exercise of official influence.” The Senate Ethics Manual continues on to state “(t)he income received by a spouse from employment usually accrues...to a Member’s interest.” Senate Ethics Manual, p. 93 (emphasis in original).

Here, Senator McCaskill’s use of taxpayer dollars to pay Timesaver LLC, a company in which she has a financial stake – with her husband, for use of her own private plane has created the appearance of a conflict of interest in violation of Senate Rule 37. By apparently drawing a personal profit from Timesaver LLC from renting her own private plane during her time as a U.S. Senator Senator McCaskill appears to have used her official position to enrich herself, also in violation of Senate Rule 37.

Moreover, the Senate Ethics Manual provides that certain conduct has been characterized by the Select Committee on Ethics as “improper conduct that may reflect upon the Senate.” *Improper Conduct Reflecting Upon the Senate and General Principles of Public Service*, Senate Ethics Manual, Appendix E., p. 432. This rule is designed to guard the integrity and reputation of the Senate. *Id.* “Improper conduct” is given meaning by considering “generally accepted standards of conduct, the letter and spirit of laws and Rules...” *Id.* Senator McCaskill’s continuing denial that she profited from Timesaver LLC; the fact that it appears as though that profit came at least in part from her own taxpayer funded travel; and that she used a shell company to launder her personal profits, is precisely the sort of conduct this committee has condemned in the past.

Claire McCaskill’s Misuse of Official Funds for Political Travel

Not only did Senator McCaskill pay her own company to use her own private plane with U.S. taxpayer dollars, and potentially profit from it, but she also used taxpayer dollars to fund such travel undertaken for *purely political purposes*.

On March 10, *Politico* reported that on Saturday, March 3, 2007 Senator McCaskill flew to and back from St. Louis to Hannibal, Missouri for the local Democratic Party's annual "Hannibal Days" political event. According to *Politico*, she billed the U.S. taxpayers \$1,220.44 for her political trip. Ben Smith, "Exclusive: McCaskill Billed, Repaid Taxpayers for Political Flights," *Politico's Ben Smith Blog* www.politico.com, Mar. 10, 2011 (exhibit D).

Indeed, once Senator McCaskill was confronted with her violation, her office ultimately conceded that billing taxpayers for Senator McCaskill's political flights was "inappropriate." *Id.*

The Senate Ethics Manual states unequivocally that "[o]fficial resources be only be used for official purposes." Senator McCaskill's using taxpayer dollars to conduct her political activity is more than "inappropriate." Such misuse of official resources for self-serving political purposes is a direct violation of the Senate Ethics Manual's prohibition on non-de minimis use of official funds for political purposes, and of Federal statutes and regulations governing use of official funds, 31 U.S.C. § 1301(a), and campaign finance, 11 C.F.R. § 106.3.

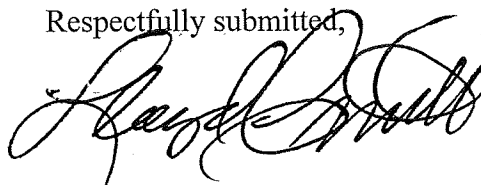
As Senator McCaskill so eloquently stated recently

Nothing that irritates Americans more than the fact that some members of Congress think they are entitled to their own set of rules. And it's true – too many people in Washington live in an alternate reality. It's time for that to stop.

Senator McCaskill Press Release, "McCaskill: Congress Should Play by the Same Rules as Everyone Else," <http://mccaskill.senate.gov>, February 20, 2001 (Exhibit E).

As Missourians and U.S. taxpayers, we agree with her, and respectfully request the Committee open an investigation into Senator McCaskill's apparent violations of Senate Ethics rules and her improper conduct.

Respectfully submitted,



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Encl.