

# RNC Research BRIEFING

## All In The Reid Family

*For Harry Reid, Family Comes First...Even When It Comes To  
Questionable Campaign Expenses*

### SENATE MAJORITY LEADER HARRY REID'S CAMPAIGN PAID HIS GRANDDAUGHTER FOR "HOLIDAY GIFTS"

Last Week, The FEC Began Probing Sen. Harry Reid (D-NV) For Two Campaign Payments, Which Totaled \$16,786.93 And Were Directed To A Company Named "Ryan Elisabeth." "The refund comes after the Federal Election Commission sent a letter last week to Reid's campaign, asking for additional information about two payments totaling \$16,786.93 to 'Ryan Elisabeth' on Reid's 2013 year-end campaign finance report. The two payments were made in mid- and late-October 2013 and are paid for out of campaign funds earmarked for Reid's 2016 primary campaign." (Byron Tau, "Harry Reid Will Refund Campaign For Gifts," [Politico](#), 3/25/14)

- "The FEC Sent The Treasurer For Friends Of Harry Reid A Letter Insisting That He 'Must Include A Brief Statement Or Description ... To Clarify The Following Description: 'Holiday Gifts.''" (Karoun Demirjian, "Harry Reid To Return Campaign Money Paid To Granddaughter For 'Holiday Gifts.'" [Las Vegas Sun](#), 3/25/14)

"Reid's Campaign Operation Listed That Description On Its Year-End Report For Two Separate Disbursements To Ryan Elisabeth Of Berkley, Calif., On Oct. 23 — One For \$5,416.93, The Other For \$11,370.00." (Karoun Demirjian, "Harry Reid To Return Campaign Money Paid To Granddaughter For 'Holiday Gifts.'" [Las Vegas Sun](#), 3/25/14)

- Ryan Elisabeth Is The Name Of A "Jewelry Line" Run By Harry Reid's Granddaughter, Ryan Elisabeth Reid. "According to several websites, Ryan Elisabeth was the name of a jewelry line created by Ryan Elisabeth Reid. Ryan Reid is the daughter of Rory Reid and granddaughter of the Senate majority leader." (Byron Tau, "Harry Reid Will Refund Campaign For Gifts," [Politico](#), 3/25/14)

Reid's Office Initially Refused To Answer Inquiries About The Expenditures, Telling Nevada Reporter Jon Ralston Only That "It Was A Jewelry Company/Vendor." "Reid's granddaughter is listed only as 'Ryan Elisabeth' on the FEC report, which is attached here (see page 166). But her full name is Ryan Elisabeth Reid. When I saw her name and did some research, I found the last name and asked Reid's office on Monday if she were a relation. I got nothing and later was told 'it is a jewelry company/vendor.' Yes, one who happens to be named Reid." (Jon Ralston, "Reid Paid Granddaughter For 'Holiday Gifts' To Give Donors, Supporters," [Ralston Reports](#), 3/25/14)

- **“‘Ryan Elisabeth’ Is Actually Ryan Elisabeth Reid, The Majority Leader’s Granddaughter, A Spokeswoman For Reid Confirmed Tuesday.”** (Karoun Demirijan, “Harry Reid To Return Campaign Money Paid To Granddaughter For ‘Holiday Gifts.’” [Las Vegas Sun](#), 3/25/14)

**Reid Announced He Would Reimburse His Campaign For The Money Directed To His Granddaughter Only “After Questions Were Raised” About The Gifts.** “Senate Majority Leader Harry Reid (D-Nev.) will reimburse his campaign more than \$16,000 after questions were raised about holiday gifts purchased from a company owned by his granddaughter. Reid said in a statement Tuesday that he will refund the money, after the Federal Election Commission questioned him about the expense earlier this week.” (Aaron Blake and Paul Kane, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

### ***Reid’s Nearly \$17,000 Expense Has Raised Red Flags***

**“The Expenditure Was Brought To Light This Week When The FEC Sent Reid’s Campaign A Letter Saying Its Description Of The Purchase – ‘Holiday Gifts’ – Doesn’t Meet The Commission’s Criteria.”** (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

- **FEC Rules State That Gifts Bought From Family Members Must Be Of “Nominal Value.”** “Federal rules actually do allow for candidates to buy things from family members, provided they pay fair market value for the items. In the case of the gifts, though, that value also matters. FEC rules state that such gifts must be of ‘nominal value.’ The total amount that Reid’s campaign spent on the gifts from his granddaughter’s jewelry company – Ryan Elisabeth – was \$16,786. Reid’s granddaughter is Ryan Elisabeth Reid.” (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

**Reid’s Campaign Initially Refused To “Respond To Multiple Inquiries” About “What Kind Of Gifts The Money Was Used To Purchase.”** “The Washington Post has asked Reid’s campaign precisely what kind of gifts the money was used to purchase. The campaign has yet to respond to multiple inquiries.” (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

- **After Inquiries, A Reid Aide Later Confirmed That The Items Purchased Included “Coasters, Picture Frames And Other Trinkets With Themes From Reid’s Hometown.”** “Those items - coasters, picture frames and other trinkets with themes from Reid’s hometown of Searchlight, Nevada - were given to staff members and campaign supporters as thank you gifts, according to a Reid aide. Each item is valued at about \$50.” (Ted Barrett, “Reid Campaign Paid Granddaughter For Gifts To Supporters,” [CNN](#), 3/25/14)

**“Paul Ryan, An Election Lawyer At The Campaign Legal Center, Said ‘You’d Need To Buy A Heck Of A Lot Of Gifts Of ‘Nominal’ Value To Spend \$16,000.’”** (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

- **“‘I’d Consider Anything Over \$25 Or \$30 To Be Pushing The Limits Of ‘Nominal Value,’ Ryan Said.”** (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

**Craig Holman, Lobbyist For Ralph Nader’s Public Citizen: “Automatically It Raises Alarms ... It’s An Iffy Practice Once You Start Dipping Into Campaign Funds And Paying Family Members For Buying Gifts.”** “‘However, automatically it raises alarms,’ said Holman, who lobbies for the Ralph Nader-founded Public Citizen. ‘Is Reid using campaign funds to enrich his own family that could run afoul of personal use of campaign funds? It’s an iffy practice once you start dipping into campaign funds and paying family members for buying gifts.’” (Steve Tetereault, “Reid To Pay Back Campaign For Gifts Bought From Granddaughter,” [Las Vegas Review Journal](#), 3/25/14)

- **Holman: “I’m Surprised Harry Reid Would Even Start Venturing Into This Area.”** “‘I’m surprised Harry Reid would even start venturing into this area,’ Holman said. ‘I suspect he has documentation but he ought to know this was going to raise questions.’” (Steve Tetreault, “Reid To Pay Back Campaign For Gifts Bought From Granddaughter,” [Las Vegas Review Journal](#), 3/25/14)

**Ralston Reports’ Jon Ralston: “The Optics Here Are Just Horrific.”** JON RALSTON: “The FEC wants to know more about the gifts purchased with campaign funds. The rules only allow officials to give gifts of nominal value. It would take quite a number of nominal gifts to add up to \$17,000. Either way, the optics here are just horrific.” (“Ralston Reports” [KSNV \[Las Vegas, NV\]](#), 3/25/14)

- **Ralston: “Why Would You Buy Anything With Campaign Funds From A Family Member And Give The Gift To Supporters?”** (“Ralston Reports” [KSNV \[Las Vegas, NV\]](#), 3/25/14)

## **AND IT’S NOT THE FIRST TIME REID HAS BEEN IN TROUBLE WITH THE FEDERAL ELECTION COMMISSION**

**In 2006, Reid Was Questioned For Giving “Christmas Bonuses” To The Staff At His Ritz Carlton Condo Using Campaign Donations Instead Of His Personal Money.** “Senate Democratic leader Harry Reid paid cash for a \$750,000 condo at the Ritz-Carlton where he lives. But when he gave Christmas bonuses to the doorman and other support staff, he used campaign donations instead of his own money. Federal election law bars candidates from converting political donations for personal use.” (“Reid Used Campaign Money For Christmas Bonuses At Personal Condo,” [The Associated Press](#), 10/17/06)

- **“Reid Spent \$600 On The Holiday Bonuses In 2002, \$1,200 In 2004 And \$1,500 In 2005.”** (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)

**“As In This Case, Reid Opted To Personally Reimburse The Money To His Campaign In October 2006, After The Press Reported On It, And The FEC Dismissed The Complaint In February 2007.”** (Aaron Blake, “Reid Will Reimburse Campaign After Inquiry About Gifts Purchased From Granddaughter,” [The Washington Post](#), 3/25/14)