



An Ethically-Challenged Leader

Harry Reid Has A History Of “Breaking Rules” And Engaging In “Unseemly Behavior”

Senate Majority Leader Harry Reid “Has Walked A Fine Line Over The Years, Occasionally Breaking Rules Or Engaging In Brazenly Unseemly Behavior During His Pursuit Of Wealth.” “Reid has walked a fine line over the years, occasionally breaking rules or engaging in brazenly unseemly behavior during his pursuit of wealth. Further, he has also used his position to save money in ways that the general public can’t -- a practice that creates public relations issues and raises questions about the senator’s ethics. As for any illegal behavior or obvious wrongdoing, Jon Ralston told RCP, “There’s been some smoke but there’s never any fire on that.” (Adam O’Neal, “Harry Reid’s Long, Steady Accretion Of Power & Wealth,” [Real Clear Politics](#), 4/24/14)

- **“Nevada Politicos Don’t Really Debate About The Degree Of Reid’s Power. Rather, The Question Is Whether He Has Always Used It Appropriately.”** “Damore suggested that Reid -- because of his extensive in-state political network and status as Senate majority leader -- may be ‘the most powerful politician in Nevada state history,’ an assertion that several other state political experts agreed with (or at least saw some merit in). But Nevada politicians don’t really debate about the degree of Reid’s power. Rather, the question is whether he has always used it appropriately.” (Adam O’Neal, “Harry Reid’s Long, Steady Accretion Of Power & Wealth,” [Real Clear Politics](#), 4/24/14)

Reid’s Repeated Scandals Suggest He Has Not “Learned His Lesson.” “I asked why the senator would have used campaign funds to buy holiday gifts, and remembered a 2006 controversy over his using campaign funds to give his Ritz-Carlton doorman Christmas presents. Reid, whose net worth may be as much as \$6.3 million, eventually reimbursed the campaign, but this new inquiry suggested he hadn’t learned his lesson—a nice gift to his enemies.” (Jon Ralston, “Harry Reid’s Kryptonite,” [Politico](#), 4/7/14)

THIS YEAR, REID CAME UNDER FIRE FOR IMPROPERLY DIRECTING CAMPAIGN FUNDS TO A FAMILY MEMBER

In March 2014, FEC Inquiries Revealed That Reid’s Campaign Paid His Granddaughter More Than \$31,000 “In 2012 And 2013 For Gifts To Be Given To Supporters And Staff.” “Fresh disclosures on top of those made in recent days show Reid’s political organization paid his granddaughter \$31,249 in 2012 and 2013 for gifts to be given to supporters and staff. Ryan Elisabeth Reid, 23, the daughter of former Clark County Commissioner Rory Reid, designs jewelry and is creative director of a New York theater company.” (Steve Tetereault, “Disclosures Show More Gift Purchase Payments From Reid’s Campaign Fund To Granddaughter,” [Las Vegas Review-Journal](#), 3/26/14)

- **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)
- **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)

“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 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)

- **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)

Reid Later 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)

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)

Craig Holman, Lobbyist For 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 Tetreault, "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)

It's Not The First Time Reid Used His Office And Connections To Help Family Members

Reid's History Includes Lobbying A Local City To Award His Son A Job And Aiding The Business Of Another Son. "Reid has refused to talk to me for three years because of perceived slights against his children, including my exposing that he lobbied a local city council to help land his son Josh a city attorney's post. He has also been accused of helping another son—Ryan Elisabeth's father, Rory—get legal clients, and of taking a special interest in Asian investors represented by Rory." (Jon Ralston, "Harry Reid's Kryptonite," [Politico](#), 4/7/14)

REID HAS FACED NUMEROUS COMPLAINTS DURING HIS TIME IN THE SENATE

Reid May Have Violated Senate Ethics Rules By Using His Publicly Funded Website For Partisan Attacks. "Senate Majority Leader Harry Reid may have broken Senate ethics and Internet rules by using his official website to attack libertarian campaign donors Charles and David Koch, a possible violation of the chamber's prohibition on 'partisan' material on members' publicly funded webpages." (Richard Pollock, "Harry Reid's Official Website Attack On Koch Brothers May Have Violated Senate Rules," [Washington Examiner](#), 4/10/14)

- **"The Senate Rules And Administration Committee Strictly Bars All 'Partisan' Or Political Campaign Posts On Senators' Official Websites."** (Richard Pollock, "Harry Reid's Official Website Attack On Koch Brothers May Have Violated Senate Rules," [Washington Examiner](#), 4/10/14)
- **The Post On Reid's Website Was Titled "The Facts About The Koch Brothers."** "The post, titled 'The Facts About the Koch Brothers,' was moved from the Nevada Democrat's homepage to a less prominent position on the site Wednesday following inquiries by the Washington Examiner." (Richard Pollock, "Harry Reid's Official Website Attack On Koch Brothers May Have Violated Senate Rules," [Washington Examiner](#), 4/10/14)

In 2006, Reid Illegally Used Political Campaign Contributions To Give Christmas Bonuses To Staff At The Ritz-Carlton. "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." (John Solomon, "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)
- **After An Ethics Complaint Was Filed, Reid "Opted To Personally Reimburse The Money To His Campaign."** "It's not the first time Reid's gifts have been at issue. The conservative group Citizens United in 2006 filed a complaint over thousands of dollars Reid had paid in holiday bonuses to employees of the Ritz-Carlton in Washington, where Reid lives. ... 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)

AND REID HAS ENGAGED IN DEALINGS WITH CONTROVERSIAL ASSOCIATES

A Longtime Friend Of Reid Was Convicted Of Making Illegal Campaign Contributions To His Campaign

In May 2013, Harvey Whittemore, “A Nevada Powerbroker Who Headed A Billion-Dollar Real Estate Company And Pulled The Strings Of State Politics As A Prominent Lobbyist For More Than A Decade” Was Convicted Of Funneling \$150,000 To Reid’s 2007 Campaign. “A Nevada powerbroker who headed a billion-dollar real estate company and pulled the strings of state politics as a prominent lobbyist for more than a decade was convicted Wednesday of making illegal campaign contributions to U.S. Sen. Harry Reid. Harvey Whittemore, 59, could face up to 15 years in prison and hundreds of thousands of dollars in fines after a federal jury returned guilty verdicts on three counts tied to nearly \$150,000 illegally funneled to Reid’s re-election campaign in 2007.” (“Harvey Whittemore, Former Nevada Powerbroker, Guilty In Contribution Case,” [The Associated Press](#), 5/29/13)

- **Harvey Whittemore: “You Have To Understand How Close The Whittemore And Reid Families Are ... My Relationship With Sen. Reid Goes Back Decades.”** “‘You have to understand how close the Whittemore and Reid families are,’ the developer said recently. ‘My relationship with Sen. Reid goes back decades.’ The senator concurs, calling Whittemore a longtime friend.” (Chuck Neubauer and Richard T. Cooper, “Desert Connections,” [Los Angeles Times](#), 8/20/06)
- **Whittemore Had Previously Hired Sen. Reid’s Son, Leif Reid, As His Personal Lawyer.** “Whittemore also helped advance the legal careers of two of Reid’s four sons. One of the two, Leif Reid, who is Whittemore’s personal lawyer, has represented the developer throughout the Coyote Springs project, including in negotiations with federal officials.” (Chuck Neubauer and Richard T. Cooper, “Desert Connections,” [Los Angeles Times](#), 8/20/06)

Whittemore Was Sentenced To Two Years Prison And Was Fined \$100,000 For His Contributions To Reid. “Calling the case ‘an incredibly criminal, intentional act,’ a federal judge sentenced fallen Nevada power broker Harvey Whittemore to two years in prison and fined the former multimillionaire \$100,000 for using family and employees to make illegal campaign contributions to Senate Majority Leader Harry Reid.” (Martha Bellisle, “Former Nev. Lobbyist Sentenced To 2 Years In Prison,” [USA Today](#), 10/1/13)

Reid Netted A Seven-Figure Payoff In A Land Sale That Skirted Ethics Rules

In 2006, “Senate Democratic Leader Harry Reid Collected A \$1.1 Million Windfall On A Las Vegas Land Sale Even Though He Hadn’t Personally Owned The Property For Three Years, Property Deeds Show.” (John Solomon and Kathleen Hennessey, “Reid Got \$1 Million For Land He Hadn’t Owned For 3 Years,” [The Associated Press](#), 10/11/06)

- **The Complex Real Estate Deal Nearly Tripled Reid’s Investment.** “After getting local officials to rezone the property for a shopping center, Brown’s company sold the land in 2004 to other developers and Reid took \$1.1 million of the proceeds, nearly tripling the senator’s investment.” (John Solomon and Kathleen Hennessey, “Reid Got \$1 Million For Land He Hadn’t Owned For 3 Years,” [The Associated Press](#), 10/11/06)
- **The Deal Was Brokered By Longtime Friend Jay Brown, Who Had Been Mentioned In Organized Crime Investigations.** “The Nevada Democrat’s deal was engineered by Jay Brown, a longtime friend and former casino lawyer whose name surfaced in a major political bribery trial this summer and in other prior organized crime investigations.” (John Solomon and Kathleen Hennessey, “Reid Got \$1 Million For Land He Hadn’t Owned For 3 Years,” [The Associated Press](#), 10/11/06)

Reid Failed To Disclose The Transaction For 3 Years, Putting Himself At Odds With Senate Ethics Rules. “In the process, Reid did not disclose to Congress an earlier sale in which he transferred his land to a company created by a friend and took a financial stake in that company, according to records and interviews.” (John Solomon and Kathleen Hennessey, “Reid Got \$1 Million For Land He Hadn’t Owned For 3 Years,” [The Associated Press](#), 10/11/06)

- **Also In 2006, Reid Disclosed He Had Failed To Report Two Property Transactions, Including A Quarter Acre Of Land That He Had Owned Since 1985.** “On the land dealings, Reid announced Monday he had failed to disclose two other transactions on his prior ethics reports and would account for those on his amended reports along with the 2001 sale. The first, he said, involved the 2004 sale of about one-third acre of land he owned in his hometown of Searchlight, Nev. And he said he had not reported his ownership since 1985 of a quarter acre of land his brother gave him in 1985.” (John Solomon, “Reid Used Campaign Money For Christmas Bonuses At Personal Condo,” [The Associated Press](#), 10/17/06)