



More Money, More Problems

As Obama Takes Time To Fundraise, New Controversies Threaten To Derail His Second Term

Tonight, Obama Will Make Time To Attend A High-Dollar Fundraiser Hosted By Movie Mogul Harvey Weinstein And Fashion Designer Georgina Chapman. "President Obama is scheduled to headline a big-dollar fundraiser in New York City May 13, but not everyone is happy about it, the NY Post's Page Six reports. The intimate, \$32,400-per-head affair is slated for the Manhattan home of movie mogul Harvey Weinstein and his wife, fashion designer Georgina Chapman." (Donovan Slack, "Obama To Headline DNC Fundraiser In NYC," [Politico](#), 4/9/13)

AS OBAMA FUNDRAISES FOR DEMOCRATS TONIGHT, QUESTIONS FROM LAST WEEK CONTINUE TO HAUNT HIS ADMINISTRATION

***The Washington Post* Headline: "Will Obama Suffer The 'Second-Term Curse'?"** (Karen Tumulty and Philip Rucker, "Will Obama Suffer The 'Second-Term Curse'?", [The Washington Post](#), 5/11/13)

- **"Over The Past Week, Two Flaring Controversies ... Have Dominated The Discussion In Washington."** "And over the past week, two flaring controversies — one over his administration's handling of the killing of the U.S. ambassador and three other Americans in Libya, the other over Internal Revenue Service employees targeting tea party groups for special scrutiny — have dominated the discussion in Washington." (Karen Tumulty and Philip Rucker, "Will Obama Suffer The 'Second-Term Curse'?", [The Washington Post](#), 5/11/13)

***Roll Call's* Stuart Rothenberg: "Recent News Reports Ought To Make Democrats At Least A Little Nervous About The Next Few Months And Even 2014."** "Maybe it's because two-term presidents suffer from hubris, or merely that after an administration has been in office for years, it inevitably makes mistakes (and too often tries to cover them up). But recent news reports ought to make Democrats at least a little nervous about the next few months and even 2014." (Stuart Rothenberg, "Obama Administration Heading For A Tough Few Weeks," [Roll Call](#), 5/11/13)

***USA Today's* David Jackson: "Friday's One-Two Punch Of Bad News Made It One Of The Most Troubling Days Of Obama's Tenure..."** "Friday's one-two punch of bad news made it one of the most troubling days of Obama's tenure, although he has weathered tough times before, such as the July 2011 collapse of a planned 'grand bargain' with Republicans on the budget and the subsequent downgrade of the nation's credit rating." (David Jackson, "Obama's New Issues: Investigations," [USA Today](#), 5/12/13)

Why Won't The State Department Explain Which Members Of Its "Leadership" Wanted The Benghazi Talking Points Revised?

In The Aftermath Of The Benghazi Attacks, State Department Spokeswoman Victoria Nuland Ensured That The Talking Points Were Edited To Resolve The "Issues" Raised By Her "Buildings Leadership." "After the talking points were edited slightly to address Nuland's concerns, she responded that changes did not go far enough. 'These changes don't resolve all of my issues or those of my buildings leadership,' Nuland wrote." (Jonathan Karl, "Benghazi Talking Points Underwent 12 Revisions, Scrubbed Of Terror Reference," [ABC News](#), 5/10/13)

State Department Spokesman Patrick Ventrell, On Who Was The "Leadership" Figure Referred To By Nuland In Her Benghazi Emails: "I Can't Speak In This Specific Case To The Exact Context Of Who Is Being Referred To." REPORTER: "To finish that close the loop on the first question, but when Victoria Nuland in the e-mail said leadership, who does that refer to when she was like can you change this in terms of the leadership?" VENTRELL: "Again, I can't speak to every word that's been cherry picked from these emails, but I can tell you as a spokesperson myself and the way that we that do interagency talking points." ... REPORTER: "I mean, does it matter if they were for Ambassador Rice or if for Congress? Talking points are pretty much just like your basic knowledge." VENTRELL: "Again – that's part of the point in terms of us at the spokesperson's level, some of the tactical assessments are made about who is speaking and what's been said prior. When we're preparing to go to the podium after we haven't been for a weekend sometimes what's going to be said out there will affect how we're going to brief later. Those are the kind of tactical concerns we raise at a spokesperson's office. When you say you're raising it up, that means that some of the policy makers are going to be taking a look at it. I can't speak in this specific case to the exact context of who is being referred to." ([State Department Press Briefing](#), Washington, DC, 5/10/13)

Why Did The White House And Former Secretary Clinton Spend Months Offering Misleading Statements On The Benghazi Talking Points?

Despite Contrary Claims From The Obama Administration, Emails Show That There Was "Extensive Input From The State Department" In Editing The Benghazi Talking Points. "When it became clear last fall that the CIA's now discredited Benghazi talking points were flawed, the White House said repeatedly the document were put together almost entirely by the intelligence community, but White House documents reviewed by Congress suggest a different story. ABC News has obtained 12 different versions of the talking points that show they were extensively edited as they evolved from the drafts first written entirely by the CIA to the final version distributed to Congress and to U.S. Ambassador to the U.N. Susan Rice before she appeared on five talk shows the Sunday after that attack. White House emails reviewed by ABC News suggest the edits were made with extensive input from the State Department." (Jonathan Karl, "Benghazi Talking Points Underwent 12 Revisions, Scrubbed Of Terror Reference," [ABC News](#), 5/10/13)

- **ABC News' Jon Karl: "Clearly, There's A Credibility Question That The White House Has To Deal With Because This Directly Contradicts What They Have Said About This."** (ABC's "This Week," 5/12/13)

Secretary Clinton, In January 2013: "The Intelligence Community Was The Principal Decider About What Went Into Talking Points." CLINTON: "Well, there -- there was evidence, and the evidence was being sifted and analyzed by the intelligence community, which is why the intelligence community was the principal decider about what went into talking points. And there was also the added problem of nobody wanting to say things that would undermine the investigation. So it was much more complex than I think we're giving it credit for, sir." (Secretary Hillary Clinton, [Testimony](#), House Committee On Foreign Affairs, 1/23/13)

Jay Carney, In November 2012: Talking Points Originated From The Intelligence Community And Only Contained A Single Adjustment From The White House And State Department. “That would appear to directly contradict what White House Press Secretary Jay Carney said about the talking points in November. ‘Those talking points originated from the intelligence community. They reflect the IC’s best assessments of what they thought had happened,’ Carney told reporters at the White House press briefing on November 28, 2012. ‘The White House and the State Department have made clear that the single adjustment that was made to those talking points by either of those two institutions were changing the word ‘consulate’ to ‘diplomatic facility’ because ‘consulate’ was inaccurate.’” (Jonathan Karl, “Benghazi Talking Points Underwent 12 Revisions, Scrubbed Of Terror Reference,” [ABC News](#), 5/10/13)

When Will President Obama Apologize For The IRS Targeting Conservative Groups?

The Washington Post Editorial Board, On The IRS Controversy: “Disturbing That President Obama And Treasury Secretary Jack Lew Have Not Personally Apologized To The American People...” “So it was appalling to learn Friday that the IRS had improperly targeted conservative groups for scrutiny. It was almost as disturbing that President Obama and Treasury Secretary Jack Lew have not personally apologized to the American people and promised a full investigation.” (Editorial, “Playing Politics With Tax Records,” [The Washington Post](#), 5/11/13)

Senior IRS Officials Knew That The Agency Was Targeting Conservative Groups Which “Seemingly Contradicts Public Statements By The IRS Commissioner.” “Senior Internal Revenue Service officials knew agents were targeting tea party groups as early as 2011, according to a draft of an inspector general’s report obtained by The Associated Press that seemingly contradicts public statements by the IRS commissioner.” (Stephen Ohlemacher, “IRS Knew Tea Party Targeted In 2011,” [The Associated Press](#), 5/11/13)

- **Senior IRS Officials Knew That The Agency Had Been Targeting Conservative Groups As Early As June 2011.** “The IRS apologized Friday for what it acknowledged was “inappropriate” targeting of conservative political groups during the 2012 election to see if they were violating their tax-exempt status. The agency blamed low-level employees, saying no high-level officials were aware. But on June 29, 2011, Lois G. Lerner, who heads the IRS division that oversees tax-exempt organizations, learned at a meeting that groups were being targeted, according to the watchdog’s report. At the meeting, she was told that groups with ‘Tea Party,’ ‘Patriot’ or ‘9/12 Project’ in their names were being flagged for additional and often burdensome scrutiny, the report says.” (Stephen Ohlemacher, “IRS Knew Tea Party Targeted In 2011,” [The Associated Press](#), 5/11/13)

Lois Lerner, The IRS Official Responsible For Overseeing Tax-Exempt Organizations, Acknowledged That Employees Inappropriately Targeted Conservative Organizations In Their Reviews Of Organizations. “The IRS apologized Friday for flagging Tea Party groups for a higher level of scrutiny than other organizations during the 2012 election. Lois Lerner, the director of the agency’s section that oversees tax-exempt organizations, said that career employees at an Ohio office had plucked out groups with ‘patriot’ or ‘Tea Party’ for additional reviews — a decision she termed an ‘error in judgment.’ Those employees, Lerner told reporters on Friday, were ‘less sensitive than they should have been about the impact this might have.’ ‘We made some mistakes,’ Lerner said. ‘For that, we apologize.’” (Bernie Becker and Cameron Joseph, “IRS Admits Targeting Tea Party,” [The Hill](#), 5/10/13)

“Lerner Wouldn’t Say Whether Anyone Is Being Disciplined, Then Appeared To Say There Was No Disciplinary Action, Then Went Back To Saying She Wouldn’t Comment.” (Aaron Blake, “‘I’m Not Good At Math’: The IRS’ Public Relations Disaster,” [The Washington Post](#), 5/10/13)

- **Lerner Said She Had No Plans To Release The Information Publicly And Only Disclosed It After She Was Asked.** “Lerner said she disclosed the information because someone asked her about it Friday morning — indicating that she had no plans to release the information publicly, despite the confirmed wrongdoing.” (Aaron Blake, “‘I’m Not Good At Math’: The IRS’ Public Relations Disaster,” [The Washington Post](#), 5/10/13)

IRS Officials Initially Claimed No Political Bias, But “Failed To Produce Any Examples Of Similar Targeting Of Groups With Non-Conservative Sounding Names.” “IRS officials claimed that there was no political bias behind the targeting of these conservative groups, but they failed to produce any examples of similar targeting of groups with non-conservative-sounding names. Initially, they suggested that other non-conservative-sounding names might have been targeted. By the end of the call, though, Lerner acknowledged: ‘I only said that because I never like to say ‘absolutely not.’ I don’t have any information on that.’” (Aaron Blake, “‘I’m Not Good At Math’: The IRS’ Public Relations Disaster,” [The Washington Post](#), 5/10/13)

If There’s Nothing “Improper” About Obama’s HHS Secretary Soliciting Donations To Promote ObamaCare, Why Not Say Which Companies Were Asked To Give?

Health And Human Services Secretary Kathleen Sebelius Has Been Asking Companies For Donations To Be Used To Promote ObamaCare. “Health and Human Services Secretary Kathleen Sebelius is asking companies for financial donations to help implement President Barack Obama’s healthcare overhaul, months before it is due to take effect. In telephone calls that began around March 23, officials say, Obama’s top healthcare adviser has been seeking assistance from companies in the healthcare field and other industries as well as from healthcare providers, patient advocacy groups, churches and other charitable organizations. ‘The secretary has been working with a full range of stakeholders ... We have always worked with outside groups, and the efforts now ramping up are just one more part of that work,’ said Jason Young, a spokesman for the Department of Health and Human Services.” (David Morgan, “Obama’s Health Secretary Seeks Donations From Companies For Healthcare Law,” [Reuters](#), 5/11/13)

Secretary Sebelius Is Walking “A Tightrope In Asking For Money.” “Sebelius must walk a tightrope in asking for money. Federal regulations do not allow department officials to fundraise in their professional capacity. They do, however, allow cabinet members to solicit donations as private citizens ‘if you do not solicit funds from a subordinate or from someone who has or seeks business with the Department, and you do not use your official title,’ according to Justice department regulations.” (Sarah Kliff, “Budget Request Denied, Sebelius Turns To Health Executives To Finance Obamacare,” [The Washington Post](#), 5/10/13)

- **HHS Insists That “There’s Nothing Illegal Or Improper” In Secretary Sebelius’s Solicitation Of Donations To Promote Obama’s Healthcare Law.** “The Health and Human Services Department (HHS) says there’s nothing illegal or improper about soliciting donations to help promote President Obama’s healthcare law. Republicans leapt at the news that HHS Secretary Kathleen Sebelius has been asking industry and community groups to donate to Enroll America, an outside organization created to promote the health law and encourage people to enroll in its new coverage options. HHS spokesman Jason Young said the fundraising push serves the department’s basic goals.” (Sam Baker, “HHS: Nothing Improper About Sebelius’s ObamaCare Fundraising,” [The Hill](#), 5/12/13)

The Department Of Health And Human Services Has Declined To Name Which Companies Secretary Sebelius Has Targeted For Donations. “HHS declined to identify the targeted donors but said none of the companies are regulated by department agencies.” (David Morgan, “Obama’s Health Secretary Seeks Donations From Companies For Healthcare Law,” [Reuters](#), 5/11/13)