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ADJUDICATORY HEARING IN THE MATTER

OF REP. JAMES A. TRAFICANT, JR.

Monday, July 15, 2002

House of Representatives,

Committee on Standards

of Official Conduct,

Adjudicatory Subcommittee,

Washington, D.C.

The committee met, pursuant to call, at 10:00 a.m., in Room 2118, Rayburn House Office Building, Hon. Joel Hefley [chairman of the committee] presiding.

Present: Representatives Hefley, Biggert, Hulshof, LaTourette, Berman, Pastor, Tubbs Jones, and Green.

Staff present: Robert Walker, Staff Director/Chief Counsel; Paul Lewis, Counsel; Ken Kellner, Counsel; Bernadette Sargeant, Counsel; Virginia Johnson, Counsel to the Chairman; Bari Schwartz, Counsel to Ranking Member; and Joanne White, Administrative Assistant.

The Chairman. Good morning, Mr. Traficant.

Mr. Traficant, are you ready to proceed?

Mr. Traficant. I don't know if my microphone is on.

The Chairman. Is mine on?

Mr. Traficant. I can hear you now.

The Chairman. I can hear you.

Mr. Traficant. I would like to know what the process is, and I would like to start out by making a statement that Friday, if I could --

The Chairman. You will be given an opportunity to make a statement. I will outline the process at the beginning of the hearing.

Mr. Traficant. Relative to witnesses, Mr. Chairman.

The Chairman. Mr. Lewis, Mr. Kellner, are you ready to proceed?

Mr. Lewis. Yes, we are.

The Chairman. The committee will come to order. I would like the record to show that the committee is present in its entirety except for Mr. Green. Mr. Green had a medical situation in Houston and will arrive later, but is unable to be here at the outset of the meeting, and he wanted me to express that he takes his responsibilities on this committee very seriously and sorry he can't be here this morning, but he will be here as soon as he can.

This hearing of the Adjudicatory Subcommittee of the Committee on Standards of Official Conduct in the matter of Representative James A. Traficant, Jr., Will come to order. Pursuant to rule 24 of the Rules of the Committee on Standards of Official Conduct, the Adjudicatory Subcommittee is authorized to conduct this hearing to determine whether any of the 10 counts contained in the Statement of Alleged Violations in the matter of representative James A. Traficant, Jr. adopted on June 27, 2002, have been proven by clear and convincing evidence.

On June 27, 2002 a bipartisan full member Investigative Subcommittee of the Committee on Standards of Official Conduct cochaired by Doc Hastings and Ranking Minority Member Zoe Lofgren adopted by unanimous vote a Statement of Alleged Violations in the matter of Representative James A. Traficant, Jr. Representatives Roger Wicker and John Lewis also served on the Investigative Subcommittee.

The Statement of Alleged Violations contained 10 separate counts of areas in which the Investigative Subcommittee found there is substantial reason to believe that Representative Traficant violated the Code of Official Conduct or a law, rule, regulation or other standard of conduct applicable to Mr. Traficant's performance of his official duties or the discharge of his official responsibilities as a Member of the House of Representatives.

At the adjudicatory hearing, the burden of proof rests on committee counsel to establish the facts alleged in each count of the Statement of Alleged Violations by clear and convincing evidence. Two attorneys who are on the nonpartisan staff of the Committee on Standards assisted the Investigative Subcommittee throughout the course of its proceedings. Those attorneys, Paul Lewis and Ken Kellner, will present the evidence supporting the charges of the Statement of Alleged Violations to the Adjudicatory Subcommittee. The Adjudicatory Subcommittee will follow the procedures contained in the rules of the committee.

The order of the adjudicatory hearing will be as follows: Upon completion of my opening statement and if Mr. Berman has any opening remarks -- he has indicated he does not -- I will recognize Mr. Kellner for the committee and Mr. Traficant, who is representing himself, for any opening statements they wish to make. Each party will have 1 hour to make his opening statement.

Testimony from witnesses and other pertinent evidence will be received in the following order: Committee counsel will present their evidence. Committee counsel do not intend to call any witnesses. We estimate the committee counsel will require approximately 90 minutes to present their case. Mr. Traficant will present his witnesses and any other evidence he chooses to offer consistent with the prior rulings of the chairman and the ranking member of the Adjudicatory Subcommittee regarding proffered witnesses. Mr. Traficant will call two witnesses at this hearing. Committee counsel will be given an opportunity to cross-examine Mr. Traficant's witnesses. Members of the subcommittee will also be given the opportunity to question witnesses under the 5-minute rule.

And I might point out, Mr. Traficant, I am unclear as to whether or not you plan to testify as a witness in this case, and at some point you need to let me know that. Committee counsel and Mr. Traficant will each be allowed 5 hours to present their case, inclusive of time allotted for opening statements and closing arguments.

After all testimony and evidence has been presented, committee counsel and Mr. Traficant will be permitted to make a closing argument. Each side will be allowed one hour for closing argument. Thereafter members of the Adjudicatory Subcommittee will be given an opportunity to question committee counsel and Representative Traficant under the 5-minute rule.

At the conclusion of the foregoing proceedings, the Adjudicatory Subcommittee will consider each count contained in the Statement of Alleged Violations and will determine by a majority vote of its members whether each count has been proved. If any one of the 10 counts in the Statement of Alleged Violations is proved, the full committee of the Committee on Standards will conduct a hearing to determine what sanction, if any, the committee should recommend to the House of Representatives.

The allegations contained in the Statement of Alleged Violations are most serious. We take seriously our obligations to conduct these proceedings fairly, impartially, and with the dignity and decorum befitting any proceeding before the House of Representatives. This is a forum to discharge our responsibilities as set forth in the rules of this committee. The adjudicatory hearing will be conducted subject to the rules and the decorum of the House of Representatives.

All participants will be required to observe strictly and promptly all evidentiary, procedural and other rulings of the chairman of the subcommittee. All participants will be required to avoid unruly, appropriate language or behavior. I expect all parties to these proceedings to conduct themselves at all times in a manner that reflects credibility on the House of Representatives. Any breach of decorum of these guidelines by any of the participants may result in a determination by the subcommittee to close the remainder of the adjudicatory proceedings and proceed in Executive Session as permitted by rule 24(e).

Mr. Berman having no opening statement, I call on Mr. Kellner for his opening statement.

Mr. LaTourette. Mr. Chairman, before proceeding with the opening remark I am wondering if this is an appropriate time for a parliamentary inquiry. I am in possession of a letter from the committee to Mr. Traficant of July 11 that was supplied, and I think it is in that document that the findings that you and the ranking member made relative to the admissibility, who could come as witnesses and what evidence is permitted. My question is if there is -- and I don't disagree with the witnesses but I have a couple of questions about exhibits -- do the rules permit the remainder of the subcommittee to review those decisions that you and Mr. Berman have made or not? That is my inquiry.

The Chairman. Yes, they do.

Mr. LaTourette. Further parliamentary procedure, when would be the time to do that?

The Chairman. I think it would be appropriate to do it now or after the opening statements, whichever you would prefer.

Mr. LaTourette. I am happy to do it now. Specifically, it is my understanding that the Respondent submitted a number of exhibit requests, some were permitted and some were denied. But specifically Exhibit O, which is a transcript of a taped telephone conversation between the Respondent and somebody else, and then X, Y and Z, which are either transcripts or similar telephone conversations. And my inquiry is this: I understood from previous discussions that if it was duplicative, if it was not relevant, and I think another tape was excluded because it wasn't relevant, this exclusion is, as I understand what the Chair and the ranking member have written, is based upon the fact that the claim that the tape is not authenticated, which I assume could be done through a witness. And then, two, it looks like there is a Linda Tripp-Monica Lewinsky reference and we don't know what the law or the jurisdiction is relative to taping telephone conversations. In Ohio, at least when I had the pleasure of serving as a prosecutor there, and maybe my colleague Ms. Tubbs Jones could help me, the law was in Ohio that if one party consented to the taping of the telephone call it was appropriate. So that set of reasons for exclusion causes me to question that decision and would inquire what the procedure is to review that more formally.

The Chairman. I think you raise an interesting point and I think we should discuss this. I am going to ask that we go into Executive Session and try to discuss this and come to a conclusion on it that will be fair and appropriate for both sides. So the committee will stand in recess briefly.

[Recess.]

The Chairman. The committee will come back to order. The issue that was raised --

Mr. Trafficant. Mr. Chairman, your microphone is not on, and I do have several motions to make before counsel begins his opening statement.

The Chairman. Now the microphones are on.

Mr. Trafficant. I ask to do so after I hear what your decision was on the statements made by Congressman LaTourette.

The Chairman. Congressman LaTourette, would you like to comment on the statement at this point?

Mr. LaTourette. The observations that I made, it is my understanding that the committee at an appropriate time, based upon who testifies and who doesn't testify, that we will revisit the issues relative to the issue of exhibits which the committee has notified the Respondent may not be admitted at this point given the state of the expected witnesses to testify, and so we have agreed to hold that in abeyance until that moment in time comes.

Mr. Traficant. Question. Since I made all those tapes and I am here and under Ohio law if one party is the consenting partner to that conversation, then under those terms, isn't it practicable, unlike the case in Cleveland, that I be allowed to introduce those tapes and transcripts from witnesses that are relevant to rebut the case at hand that were not allowed in Cleveland.

The Chairman. Mr. Traficant, I think at the appropriate time, when you would like to introduce those as evidence, if you would like to present them, then we will consider it at that time.

Now do you have motions you would like to make before the opening statements?

Mr. Traficant. Yes. I have four motions. First dealt with the issue at hand, that all tapes and transcripts of same that I have made and were party to and have personal knowledge of and/or others who have overheard those conversations or which were consent tapes be considered at the time of my testimony for admissibility.

The Chairman. Mr. Traficant, do you plan to testify --

Mr. Traficant. Yes, I do, and I would plan to introduce them since I made the tapes.

The Chairman. Then we will consider them at that time when you are ready to introduce them.

Mr. Traficant. Second of all, my two witnesses will not be available today. I was notified at 6:10 p.m. Friday, July 12. I checked my fax at 5:55. At 6:10 p.m., I received a fax from your committee that was time stamped 5:03 p.m. The two witnesses that you allowed, one that had previously been allowed and was denied to participate in Cleveland, Linda Kovachik was not available. The other one, Sandy Ferrante, was not in town. Neither can be here today but can be here by noon tomorrow. And I believe it would be a travesty not to have these two witnesses and, second of all, I believe the rules of the committee at least allow me a reasonable amount of time to present witnesses insofar as I believe I requested over 30 witnesses, was allowed only Richard Detore, and I will get into that matter later.

So I ask that those witnesses be allowed to testify tomorrow afternoon. They can be here approximately noon. I cannot have them here today, and I have made every arrangement to do so, no attempt to delay. Under the circumstances and the fact that you have not allowed hardly any witnesses to rebut this hearsay circumstantial evidence in a RICO case, I believe the request I am making is very fair.

The Chairman. Mr. Traficant, you have known about the time period. We have tried to admit all the witnesses that were relevant to this particular case that weren't repetitive of the other case. So I am going to deny your request at this point but subject to rearview.

Mr. Traficant. I object to that. I would like to state for the record that these witnesses are not cumulative nor repetitive. I had nine witnesses who were voir dire outside the presence of the jury at my trial under oath who were not allowed to testify before the jury. None of these witnesses that I requested offered any testimony that was ever heard by any jury. Now, as far as Ms. Ferrante, I wasn't notified until Friday at 6:10 p.m. that she would be eligible. She was out of town and has a husband who has had two strokes since the so-called murder scheme that I was involved with that made national news. Now I think this committee can give a Member an opportunity to bring two witnesses that were not allowed to testify relative to the issues in Cleveland, and I object to that and cite it as unfair.

The Chairman. Mr. Traficant, it will be reconsidered at the appropriate time. We are going to proceed with the case at this point, but as we get further along in the day you may have the privilege of raising this point again.

Mr. Traficant. I have two more motions. Third motion is all affidavits from witnesses that were excluded as requested, their affidavits be included in this hearing and be spread across this record for consideration in these procedures and to be reviewed, evaluated, distilled, digested by this committee for their relevance. These are all witnesses who are not able to present these salient points to a jury.

The Chairman. Mr. Traficant, do you intend to testify as to the relevance of their testimony and/or affidavits?

Mr. Traficant. I do.

The Chairman. We will reconsider that at the appropriate time as well.

Mr. Traficant. Number four, pursuant to the rules of the Committee on Standards of Official Conduct, rule 1, subparagraph (c), I hereby request the committee immediately dismiss the above captioned matter in

the interest of justice, and this is my motion. The subcommittee has denied me, the Respondent, a witness through what now considers to be unusual, if not illegal acts and has violated the civil rights of one Richard Detore, who was a part of a superseding indictment to keep him out of this process of my trial in Cleveland.

On July 5 of 2002, pursuant to the rules of the committee, I responded and applied to the committee for subpoenas in order to compel testimony in defense of myself. The committee responded by approving only one person for which approval had been sought; namely, one Richard Detore. On July 8, the committee informed Respondent that it approved the subpoena for Mr. Richard Detore. On July 11, last Thursday, the committee served Mr. Detore with the subpoena near the close of the business day for that day allowing him but one business day in which to, number one, secure counsel and, number two, prepare for a hearing that subjects that individual to jeopardy since he is facing criminal charges in a superseding indictment of the Traficant case in Cleveland.

Committee rule 27(k) states clearly witnesses shall be afforded a reasonable period of time as determined by the committee or subcommittee to prepare for an appearance before an Investigative Subcommittee or for an adjudicatory hearing and obtain counsel. One business day is not sufficient time to be considered as, quote-unquote, reasonable and as such serves to deny the witness the full protection of the law and rights as might reasonably be expected in dealing with the committee of the House of Representatives no less, the peoples' House.

Mr. Detore subsequently contacted the committee on July 12 of this year requesting a delay in his appearance date as he was under the care of a physician and under strict orders to rest and not to travel. In addition, Mr. Detore stated he was a defendant in an upcoming criminal trial and wanted to discuss his fifth amendment rights. The committee, acting through its chief counsel, then issued threats to Mr. Detore and Mr. Detore's words regarding his being held in contempt of Congress. At some point on or about July 5 of this year and through on or about July 12, the committee contacted the Pretrial Services Division -- this committee -- of the U.S. Courts regarding Mr. Detore and disclosed information regarding his subpoena and proposed testimony as well as other relevant confidential information in violation of rules 7 and 27 parentheses (1) of our own committee rules. On July 12, 2002, pretrial services officer Kimberly Walker

acting under orders of Judge Lesley Wells, Cleveland, contacted Mr. Detore's attending physician -- and I would ask the committee listen to this.

The Chairman. I am paying very close attention and I think most of the committee is as well.

Mr. Trafficant. I ask that all the committee listen to it.

On July 12 of 2002, Pretrial Services Officer Kimberly Walker, acting under orders of Judge Lesley Wells, Cleveland, contacted Mr. Detore's attending physician and relayed information regarding the subpoena issued to Mr. Detore by the committee. Walker then represented that she had obtained written authorization from Mr. Detore for the release of his medical records. When asked by the physician to fax the release over for inspection, Walker could not comply. Mr. Detore has not had at any time in connection with this proceeding or his Federal Court case ever signed such a waiver. Making a false statement in this matter is a violation of 18 U.S.C. 1001; in addition, because the act is against a witness under subpoena in a proceeding before Congress, could technically constitute tampering and obstruction of justice as defined in 18 U.S.C. 1512. And I make that statement.

Following the telephone call described above and within one-half hour's time, the committee acted -- through staff member Bernadette Sargeant, contacted Mr. Detore's attending physician. Sargeant also represented that she had obtained written authorization from Mr. Detore for the release of his medical records. When asked by the physician to fax the release over for inspection, Sargeant could not comply. Mr. Detore has not at any time in connection with this proceeding or his Federal Court case ever signed again such a waiver. Citing the first statement, making a false statement in this matter is a violation of 18 U.S.C. 1001. In addition, because the act is against a witness under subpoena in a proceeding before Congress it could constitute again tampering and obstruction.

The committee has thus probably unbeknownst to its members by fraudulent means attempted to circumvent the right of Mr. Detore to his physician-patient confidentiality. Mr. Detore's physician verified the medical situation and orders to the committee. Subsequent to the above referenced telephone calls, Mr. Detore was contacted via fax by the committee and advised the committee had made a determination that Mr. Detore would not testify without immunity.

The committee had at this point had no substantive discussions with Mr. Detore regarding his fifth amendment rights. Let me add that he never said he would invoke the fifth, he wanted to discuss his fifth

amendment rights and pending a criminal trial in a superseding indictment in a Cleveland case. That is a reasonable request from any American seeking any consideration in any hearing or process.

Further, the committee in its letter falsely stated that it had not been able to confirm that he was suffering from a medical condition. This statement is an apparent violation of, again, 18 U.S.C. 1001.

The committee finally stated that it would not require Mr. Detore to attend the hearing. It is unclear whether or not the committee met to vote on rescinding this subpoena, and I would request before it is over to know if in fact this committee did meet and did vote on rescinding that subpoena. If that is the case, the committee has performed, knowingly or unknowingly, unlawful acts and has violated its own House rules in the handling of Witness Detore.

Further, the committee has harassed Mr. Detore and has released him from testifying, effectively denying me any defense witness testimony until 6:10 p.m. this Friday -- past Friday. Additionally, the committee has ignored the civil rights of Mr. Detore and has acted in a matter so as to prejudice this case and defame his character, thus depriving him of due process in his upcoming Federal criminal trial, and I have concern for him.

Chairman Hefley, from the information I have, and I cannot corroborate this, has denied the Respondent the opportunity of making statements to the press and me making statements to the press relative to the prejudicial aspects of this matter. Chairman Hefley is quoted in July 15, 2002 edition of Roll Call as stating he will not allow the proceedings to turn into a sideshow or a circus. That is not my purpose here. I am facing probably 100 years and \$3 million on a bunch of hearsay. To Utilize the term "sideshow" or "circus" in connection with the hearings is defamatory and demeaning to Respondent at this point and prejudicial and places me in a bad light in trying to bring forward a case without witnesses to rebut hearsay evidence only that once again will be presented against me.

Another subcommittee's staff is quoted in the July 15, 2002 edition of Roll Call as stating that everybody just feels with dread. One committee aide told Roll Call this is not good for the institution. Well, it certainly isn't a walk in the park for me. This statement is prejudicial to me, is made in violation of rule 6(f) and rule 7 of our own committee rules.

In accordance with the intent and spirit of rule 7 of the committee rules, I seek immediate relief by dismissal of the Statement of Alleged Violations, and in accordance with the requirements of rule 7 of the

committee rules, I respectfully request the committee immediately undertake an investigation of the breaches of the confidentiality which have violated the rights of Mr. Detore subject to jeopardy and harm in an upcoming criminal procedure and trial. In accordance with the requirements of clause 3, subsection (a) subsection (3) of rule 11 of the Rules of the House of Representatives and rule 29 of the committee rules, Respondent respectfully requests that the alleged criminal acts described therein be referred to Federal authorities for further investigation and possible prosecution.

Now, Mr. Detore has stated to me through his contacts that he never said he would invoke the fifth. He wanted to discuss the fifth. Second of all, he was contacted by Cleveland relative to personal confidential medical information that was related to him by this committee staff whom I don't know. But if that be the case they have certainly violated his rights.

So here I sit as I did in Cleveland with no witnesses and now have learned several things were not disclosed to me under Brady. And in addition, the possibility of judicial misconduct since it was reported to me that the Cafaro company did have dealings with the attorney husband of Judge Lesley Brook Wells. Attorney Clarke, husband of Judge Lesley Brook Wells is in fact a member of Squire, Sanders and Dempsey and has received remuneration from the Cafaro company, and I put it on the record.

The Chairman. I want you to get whatever you want on the record. We want you to get whatever witnesses you need to make your case that are relevant and not repetitive. But I think you are getting into an opening statement phase here. Do you make the motion that these be --

Mr. Traficant. I make the motions that the witnesses that I asked to be subpoenaed here be allowed to testify because they are not repetitive, and I want to know who made the decision they are repetitive because they never testified in Cleveland, were not allowed to testify in Cleveland and none of my tapes were allowed to be introduced in Cleveland and none of my evidence was allowed to be introduced in Cleveland.

The Chairman. We hear your motion, Mr. Traficant. And to my knowledge, many of the statements that you made don't comply with the facts, as I understand them or know them. I am going to ask before ruling on this motion, I am going to ask that Bernadette Sargeant, the person you referred to several times and was primarily responsible for their contacts with Mr. Detore, if you would go to a microphone.

Mr. Traficant. I would ask at this point we all be placed under oath, including Mr. Walker and anybody else, Ms. Sargeant -- including your counsel.

The Chairman. Sit down, Mr. Traficant. We are not ready for the oath yet at this point. You made those statements that you just made not under oath and I want to ask Ms. Sargeant to explain. If we need to place her under oath at a later time we will, but if you go to a microphone, Ms. Sargeant.

Mr. Traficant. I would ask that they be placed under oath.

The Chairman. Mr. Traficant, if I placed you under oath for the statements you just made, I think some of those statements are false and I don't think you want to be placed under oath.

Mr. Traficant. I am willing to be placed under oath and I am asking you to place your staff under oath relative to the communications they had with the Northern District Court of Ohio relative to Mr. Detore's physical condition, the contacts with his physician and the statements that I have alleged.

The Chairman. I want Ms. Sargeant to explain what she did and then we will go from there.

Mr. Traficant. Is she under oath?

The Chairman. She is not at this point and nor were you.

The Chairman. Would you state your name, please?

Ms. Sargeant. My name is Bernadette Sargeant, S -a -r-g-e-a-n-t.

The Chairman. And where are you employed?

Ms. Sargeant. I am employed with the Committee on Standards of Official Conduct in the counsel's office. My title is Counsel.

The Chairman. And describe your duties in that office.

Ms. Sargeant. In that office I both provide advice and education for its members and employees and their staff, and I participate in investigations of allegations of misconduct that are made against staff, officers or Members of Congress.

The Chairman. Do you have knowledge of the efforts the committee made to serve subpoena on Richard Detore?

Ms. Sargeant. Yes, I do.

The Chairman. Would you describe those efforts?

Ms. Sargeant. Well, Mr. Chairman, I will do so to the best of my recollection at this time. Mr. Detore was approved by the chairman and the ranking member for issuance of a subpoena pursuant to Mr. Traficant's request. I made efforts to secure the issuance of the subpoena and the service of the subpoena by the U.S. Marshal's Office, which was done.

I would note that with regard to notice to the witness, Chief Counsel of the office and myself spoke with Mr. Detore several days before he was actually served. So he had, I would estimate, in excess of a week's notice before he was served that a subpoena was coming. He represented to us initially that he was in the process of getting an attorney and would have an attorney the next day.

The week before this hearing, which would be last week, I participated in I believe it was two speaker phone conversations with Mr. Detore and Chief Counsel. My recollection is that Mr. Detore offered several excuses about why he would not be willing or able to come to the hearing today. He said that he was ill, and he said he had a doctor's note that said he couldn't work or travel and he also told us that his doctor said he could not be in any stressful situations and that he did not think he would come to the hearing, because of those medical reasons that he would be unable to come to the hearing.

The Marshals Service did serve him with a subpoena -- I should say from the very beginning in our first conversation with Mr. Detore, he raised his fifth amendment concerns. He said he did not have counsel at the time but he was afraid anything that he said at the hearing could be used against him. He said without being able to consult with an attorney, he couldn't tell whether there were some areas he could go into without incriminating himself. He would not commit one way specifically whether he would invoke his privilege or not initially. He said he wanted to wait until he had counsel.

In subsequent conversations he had been unable to obtain counsel. He repeatedly raised both his illness, fear of fifth amendment, and he asked about whether he would be able to get immunity that would affect the prosecution that is now pending against him by the Department of Justice. With regard to the Department of Justice prosecution, Chief Counsel made clear to him that we had no authority to interfere with that proceeding in terms of immunity. It was the chairman and the ranking member's decision that immunity for these proceedings would not be granted in order to compel Mr. Detore's testimony. There were several factors he repeatedly raised, his illness. He said he was afraid that statements would be used against him at his trial and if the committee did not give him immunity he would not testify.

In our last -- what I recall to be our last telephone conversation with him on speaker phone, Chief Counsel asked Mr. Detore, because he was being very evasive in his answers, he asked him are you saying you will not testify, that you will invoke your fifth amendment privilege and you will not testify without a grant of immunity? And Mr. Detore said yes. He said he had no counsel. He would not testify without immunity. He repeatedly raised the issue of his illness. Mr. Detore told us on the phone that he wanted to maintain patient-physician confidentiality, however, he did not object to us verifying the authenticity of a doctor's note he had faxed to us. He gave us -- Mr. Detore gave us the specific extension for his doctor, telling us we could get through the main switchboard by calling the extension directly. That is what we did. The doctor's office called back and got through to me. Chief Counsel was not available, I believe. I spoke with them. I never represented that we had a written waiver from Mr. Detore to obtain any confidential information from the doctor. Mr. Detore had told us that he had called the doctor's office and had given them permission to talk to us orally. The nurse in the office or the administrative person in the office that I spoke to said that would be insufficient, that there would have to be a waiver in writing and they did not have that. She did not give me any subsequent information about his medical condition other than to verify what was in the note, and I did not put her in the awkward position of asking her information since she had told me that they had no sufficient waiver.

Subsequently it was decided by the committee through the chairman and ranking member that Mr. Detore would be excused for various reasons, preliminarily because of his assertion of his fifth amendment in the form of saying he would not testify without a grant of immunity. We are not able to verify the bona fides of his statement of his medical condition because we could not talk to his physician about the details of their discussions or his condition.

The Chairman. Mr. Traficant, you have no standing to raise the violation of Mr. Detore's fifth amendment rights and we cannot advise as to whether or not he should exercise those rights. I see no legitimate basis for the accusations that you have made here. I think it has been explained to my satisfaction. Motion denied, and we will continue with opening statements.

Mr. Traficant. I would like to comment on that, Mr. Chairman.

The Chairman. No comment on that at this point.

Mr. Traficant. I have a letter from Mr. Detore that refutes that.

The Chairman, Mr. Kellner.

Mr. Kellner. Thank you, Mr. Chairman. As you noted, Mr. Chairman, this proceeding follows an inquiry made by an Investigative Subcommittee, an inquiry in which an Investigative Subcommittee reviewed and deliberated extensively over more than 6,000 pages of trial transcripts and hundreds of pages of documentary evidence. It should be noted that each and every determination and finding of the Investigative Subcommittee throughout its inquiry was made unanimously. This includes the subcommittee's unanimous adoption of the Statement of Alleged Violations, which charges Representative Traficant as a result of his conduct with violations of the Code of Official Conduct for Members of the House and of the Code of Ethics for Government Service.

As set forth in its report to the full committee, the four members of the Investigative Subcommittee were in unanimous agreement that the charges against Representative Traficant were of the most serious nature and were abundantly supported by the evidence in the record.

Members of the subcommittee, this case is about Representative Traficant's conduct, for which the same conduct Representative Traficant was found guilty of 10 felony offenses on April 11, 2002 in the United States District Court for the Northern District of Ohio. In that criminal matter, for the same conduct relevant to this proceeding, Representative Traficant was found guilty beyond a reasonable doubt of four counts of conspiracy to violate the Federal bribery statute, one count of receiving illegal gratuities under the Federal bribery statute, one count of violating the Federal obstruction of justice statute, one count of conspiracy to defraud the United States, two counts of filing a false income tax return, and one count of racketeering.

What the matter now before the subcommittee is about is whether the same evidence of misconduct that led a jury to find Representative Traficant guilty of these 10 felony offenses supports a finding that Representative Traficant violated the rules applicable to Members of the House. The evidence we will show will support such findings. The evidence we will show includes the sworn testimony of more than 50 witnesses during Representative Traficant's trial. The evidence includes that trial testimony plus the hundreds of pages of documents admitted into evidence during that trial.

By clear and convincing evidence, we will show that Representative Traficant engaged in a continuing pattern and practice of official misconduct through which he misused his elected office for personal gain.

The evidence will show that Representative Traficant in a pattern of conduct that repeated itself over and over and over again traded his office and the duties he swore to uphold for money, farm equipment, free labor and a myriad of other things of value to him. He requested, demanded, received and accepted gratuities from individuals and businesses in exchange for which he promised to use his office to help these individuals and businesses, and he kept his end of the bargain. Applying the weight and authority of his office, upon Federal, State and local government agencies, all at the behest of businessmen who, as one witness testified, owned him.

And the evidence will show that Representative Traficant did more than just trade his office for money and other things. The evidence will show that he directed his congressional staff; that is, employees paid by United States taxpayers to perform official congressional business, he directed that staff to perform his personal bidding. The personal labor and services Representative Traficant required of his congressional staff could no way be characterized as isolated or technical violations of the rules. Far from it. Representative Traficant had his congressional staff laboring at his farm in Ohio, baling hay in the hot summer, building and repairing horse stalls, doing plumbing, electrical work, construction and much more. But that is not all. Here in Washington, Representative Traficant had congressional staffers laboring on his boat, painting, scraping paint, varnishing and more. Representative Traficant did not pay these congressional staffers for their work. The only pay they received from this work was from their congressional salaries.

But that is not all. The evidence will show that Representative Traficant received salary kickbacks from staff. Just one such person was Raymond Allen Sinclair, an attorney hired by Representative Traficant for his congressional district office. As a condition of Representative Traficant's hiring and continuing to employ Mr. Sinclair, Mr. Sinclair was required by Representative Traficant to give him \$2,500 per month of his congressional salary.

Before introducing Representative Traficant's conduct and the evidence in more detail, let me describe the rules violated by Representative Traficant. Specifically with respect to the conduct described in all 10 counts of the Statement of Alleged Violations, Representative Traficant violated clause 1 of the Code of Official Conduct. That rule provides that a Member of the House shall conduct himself at all times in a manner that shall reflect credibly on the House.

With respect to the conduct described in Counts I, II, III, IV, V, VI, VII and X, Representative Traficant violated clause 2 of the Code of Official Conduct, which provides that a Member of the House shall adhere to the letter and spirit of the Rules of the House and to the rules of duly constituted committees thereof.

With respect to the conduct described in Counts I, II, III, IV, V, VII and X, Representative Traficant violated clause 3 of the Code of Official Conduct, which provides that a Member of the House may not receive compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence and properly exerted from his position in Congress.

Finally, with respect to his conduct described in Counts VI, VIII, IX and X of the Statement of Alleged Violations, Representative Traficant violated clause 2 of the Code of Ethics for Government Service. That provision provides any person in government service shall uphold the Constitution, laws and legal regulations of the United States and of all governments therein and never be a party to their evasion.

We will now take this opportunity to describe by count the conduct for which Representative Traficant is charged in the Statement of Alleged Violations. The evidence we will present will prove the following.

Count I, Representative Traficant owed brothers Anthony Bucci and Robert Bucci almost \$13,000 for paving work at his farm and Representative Traficant was not paying them. The Bucci brothers even hired a lawyer to collect the debt from Representative Traficant and to send him letters. In the end the Buccis and Representative Traficant worked out an arrangement. Representative Traficant agreed to use his office on behalf of Anthony Bucci and Robert Bucci for which they agreed to forgive the debt owed to them by Representative Traficant and to provide Representative Traficant with additional things of value, including free labor, materials, supplies and equipment for use at Representative Traficant's farm. Seventeen witnesses testified at Representative Traficant's trial as to this arrangement, either as to the work they performed at Representative Traficant's farm for which they were paid by the Buccis or as to official acts performed by Representative Traficant on behalf of the Buccis.

For example, Joseph Altiero was assigned by the Buccis, quote, to go to Jim's farm, do whatever he needed and make him happy, unquote. Altiero himself testified that he was paid by the Buccis to work on and off at Representative Traficant's farm for 6 months. He repaired tractors, did landscaping, fixed fence posts, among other work.

An individual named Merrill Whippo testified how the Buccis paid him to bale hay and haul equipment to Representative Traficant's farm. Timothy Walsh was paid by the Buccis to dump sawdust and haul away debris at Representative Traficant's farm.

Anthony Bucci himself testified as to the scheme, including the decision of him and his brother to forgive the approximately \$13,000 debt Representative Traficant owed them. Indeed, in Anthony Buccis' own words, for this amount of money they were going to own Representative Traficant. And the evidence will show that Representative Traficant fulfilled his end of the bargain with the Buccis. Anthony Bucci testified, for example, how at his request Representative Traficant worked to have Bucci transferred to a halfway house in Youngstown, Ohio, from a prison in North Carolina, where Bucci was serving a 6-month jail sentence.

The evidence will also show that Representative Traficant intervened with the Department of Transportation and the Department of Labor when those departments were considering debarring the Buccis from bidding on Federal contracts.

Representative Traficant similarly intervened with the Ohio Department of Transportation regarding the Buccis. Indeed, Anthony Bucci testified that when Ohio Department of Transportation inspector Tom Williams sought to enforce the terms of a paving contract in order to prevent the Buccis from disrupting public access to a State park on a holiday weekend, Bucci called Representative Traficant to get Tom Williams, quote, straightened out right away, unquote.

In essence, Representative Traficant was asked to take the side of the businessmen to whom he was indebted over the interests of Ohio residents who wanted to use a State park over a holiday weekend. And that is what Representative Traficant did. At the request of Anthony Bucci, Representative Traficant called the inspector who was making things difficult for the Buccis and said he was going to have his job.

The trial transcript contains not only the trial testimony of this inspector, Mr. Tom Williams, but also the testimony of his supervisor, Mr. David Dreger, who testified that Representative Traficant told him that there would be trouble for the Ohio Department of Transportation if it, quote, caused the Bucci brothers to lose their business, unquote.

Count II: Arthur David Sugar was looking to obtain a lesser sentence for his son who had a DUI offense. And he wanted his son transferred from the Licking County Jail to a Youngstown, Ohio, halfway

house, which was closer to home, and he asked Representative Traficant to help him. The evidence will show that Representative Traficant did use his influence as a Congressman to help Sugar. And, in return, Sugar supplied Representative Traficant with labor and materials for use at Representative Traficant's farm.

He also testified that he believed the work he had performed for Representative Traficant was something he needed to do without compensation because of the work Representative Traficant was doing for him. Why did he think this? Because, as Sugar testified, after he asked Representative Traficant for help, Representative Traficant took Sugar to his farm and showed him what he should do.

Later when Representative Traficant became concerned that he was under investigation and wanted to make the work Sugar performed appear legitimate, Representative Traficant gave Sugar an unsolicited check. Representative Traficant told Sugar, quote, I better give you this, unquote, because the FBI was watching him real close.

Count III: John J. Cafaro and his family had invested millions of dollars in a new company called the U.S. Aerospace Group, or USAG for short. That company had a new laser-guided technology. But in order for the company to market their product they needed certification from the Federal Aviation Administration, and they sought Representative Traficant's help.

As with the Bucci Brothers and Arthur David Sugar, Representative Traficant made an arrangement with John J. Cafaro. According to the trial testimony of Cafaro and others, Representative Traficant used his office to promote the laser-guided technology marketed by USAG. Representative Traficant even arranged a meeting between USAG officials and the Chairman of the Federal Aviation Administration, Jane Garvey.

When John J. Cafaro was asked during the trial, quote, what, if any, promises was the Congressman making with regard to the potential for Army contracts for USAG, unquote, Cafaro testified that Representative Traficant, quote, said he had great relationships with the military and Armed Forces Subcommittee and that it was possible to get funding for this type of equipment through that particular subcommittee, unquote.

In exchange for these favors, Cafaro and others gave Representative Traficant thousands of dollars in restaurant meals as well as a Miller Syncrowave 250 amp welder worth more than \$2,000, a Honda generator worth approximately \$2,700, and the loan or gift of four automobiles.

In addition, Cafaro or his company paid about \$26,000 for repairs, slip fees and other expenses for Representative Traficant's boat, a boat that was in a state of disrepair.

Cafaro also arranged to buy Representative Traficant's boat. But USAG's chief engineer, Albert Lang, was knowledgeable about boats and told his bosses that USAG did not need a boat, and that Representative Traficant's boat was a poor choice even if it did need a boat.

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Mr. Kellner. Lange testified that he was told by his bosses, quote, "Jim was doing favors for us, and we needed to do a favor for Jim," unquote. But Cafaro could not buy the boat directly from Representative Traficant because Representative Traficant became worried as to how it might look to the public.

So Representative Traficant and Cafaro concocted a scheme under which Cafaro would supply money to pay Representative Traficant for his boat, but make it falsely appear that Cafaro's employee, Albert Lange, was purchasing the boat personally for himself. In connection with this scheme, Cafaro gave Representative Traficant \$13,000 in cash representing a partial payment on the purchase price of the boat.

Counts IV, V and VI: These counts each relate to a course of conduct I mentioned earlier in which Representative Traficant employed Attorney Raymond Allen Sinclair as a member of his congressional district staff in exchange for which Mr. Sinclair agreed to rent additional office space to Representative Traficant for use as a congressional district office and agreed to pay Representative Traficant \$2,500 per month of his congressional salary.

In his testimony, Mr. Sinclair described in detail how for 13 months he placed \$2,500 in cash in an envelope and gave it to Representative Traficant either in person or by deposit in Representative Traficant's private office. Mr. Sinclair also testified that at some point Representative Traficant became concerned that he was under investigation and Representative Traficant endeavored to persuade Mr. Sinclair to destroy evidence of salary kickbacks and to provide false testimony to a Federal grand jury.

Mr. Sinclair described in his testimony how at the direction of Representative Traficant and in Representative Traficant's presence envelopes used to transmit kickbacks to Representative Traficant were burned in a tub in the basement of Mr. Sinclair's house.

Count VII: From approximately the late 1980s to early 2000, Representative Traficant engaged in a course of conduct in which he defrauded the United States of money and property by several means.

One, he solicited and accepted payments from the salaries of congressional employees.

Two, Representative Traficant directed members of his congressional staff to perform labor and services, personal labor and services to maintain and repair his boat.

Three, Representative Traficant had members of his congressional staff perform personal labor and services at his farm.

In addition to the already described testimony of Raymond Allen Sinclair regarding the \$2,500 per month in kickbacks he was required to give Representative Traficant -- Jacqueline Bobby, Representative Traficant's former congressional office manager testified as to salary kickbacks made by Representative Traficant's former district director, Charles O'Nesti, and his former administrative assistant, Henry DiBlasio.

Indeed, Henry DiBlasio himself recently entered into a plea agreement in the United States District Court for the Northern District of Ohio in which he swore that he had, quote, "in fact left cash in envelopes for Congressman Traficant under the door of Congressman Traficant's office and given portions of his congressional salary to Congressman Traficant."

The labor and services on Representative Traficant's farm by his congressional staff included baling hay, maintaining and repairing structures on the farm, building a horse corral, among other labor and services.

Among other witnesses that testified on this subject, one former member of Representative Traficant's congressional district staff, George Bucella, testified that he termed going to the farm as "going south," and that he did so to perform work at Representative Traficant's farm between 100 and 300 different days.

Richard Rovnak, a part-time employee in Representative Traficant's district office, testified that at Representative Traficant's direction he spent most of his time at Representative Traficant's farm doing work that included plumbing, wiring, carpentry and other handyman work. Rovnak also spent time in Washington, D.C., as part of his part-time employment for Representative Traficant, but he performed no duties at Representative Traficant's congressional office here. Instead, he performed work on Representative Traficant's boat. That work included painting, varnishing, and replacing brass fittings.

The evidence will show that the personal labor and services of congressional employees George Bucella, Richard Rovnak and others were performed at Representative Traficant's farm and boat for no compensation other than their congressional salaries.

Counts VIII and IX: The evidence will show that Representative Traficant filed two false income tax returns with the Internal Revenue Service for tax years 1998 and 1999. In those returns, Representative Traficant failed to report the substantial income he derived from gratuities and salary kickbacks during

those years. The government's expert witness, Bruce Hess, who was an Internal Revenue Service official with more than 30 years' experience, testified at Representative Traficant's trial that Representative Traficant had unreported income for 1998 and 1999 that totaled more than \$75,000. This income included the \$13,000 in cash from John J. Cafaro, the \$2,500 per month in salary kickbacks from Raymond Allen Sinclair, as well as thousands of dollars of other unreported income from gratuities.

Finally, Count X: In this count, Representative Traficant is charged for engaging in a continuing pattern and practice of conduct through which he misused his office for personal gain, a pattern and practice that continued from about 1986 through the year 2000, almost the entire length of Representative Traficant's membership in the House. This continuing pattern and practice of conduct includes the conduct I already described for Counts I, II, III, IV, V and VII of the statement of alleged violations, but it also includes Representative Traficant's performance of official acts for businessman, Bernard "Pete" Bucheit, which I will now describe.

The evidence will show that Representative Traficant agreed to help Youngstown businessman Pete Bucheit with respect to a contract dispute between Bucheit's company and Prince Mishal of Saudi Arabia, as well as with respect to a Bucheit investment in the Gaza Strip.

For Pete Bucheit Representative Traficant wrote letters to some of the highest-ranking officials in the United States Government including Vice President Al Gore, Secretary of State Madeline Albright and Secretary of State James Baker, among other high-ranking United States Government officials. In exchange for these official acts, Representative Traficant received free labor and materials from Bucheit for use at Representative Traficant's farm.

One of the people who performed work at Representative Traficant's farm at the expense of Bucheit was David Manevich. Mr. Manevich testified that he repaired a wooden deck at Representative Traficant's farm, as well as constructed a privacy fence, enclosed a room on the deck, and build a gazebo for Representative Traficant for which he was paid \$26,994 by Bucheit and for which he was paid nothing by Representative Traficant. In all, eight witnesses testified during the trial either as to official acts performed by Representative Traficant for Bucheit or as to the work they were paid by Bucheit to perform at Representative Traficant's farm.

The evidence of this misconduct by Representative Traficant on behalf of Pete Bucheit, as well as the evidence of misconduct already described for Counts I, II, III, IV, V and VII of the statement of alleged violations, will show that Representative Traficant engaged in a continuing pattern and practice of official misconduct through which he misused his office for personal gain.

Members of the subcommittee, no single charge in the statement of alleged violations can easily be characterized as the most serious. Each of them separately involves egregious conduct directly related to the privileges bestowed on Representative Traficant by virtue of his position as a Member of the House.

Indeed, the favors for John K. Cafaro or the favors for the Bucci brothers or the favors for Arthur David Sugar, the favors for Pete Bucheit and the favors that Representative Traficant did for others that gave him things and money should not be viewed in isolation from one another. While each of the charges is separately and abundantly supported by the evidence, taken together, they demonstrate a pattern and practice of misconduct by a man who violated the public trust and traded his elective office for personal gain.

We note, in addition, that the Investigative Subcommittee which was keenly aware that some of the witnesses during Representative Traficant's trial were themselves charged with Federal offenses and that some were testifying under plea agreements. Like the jury in Representative Traficant's trial, however, it was not necessary for the Investigative Subcommittee to rely solely on the testimony of such witnesses. The testimony of those witnesses was substantiated and corroborated not only by other witnesses, but also by the letters, faxes, memos, partially burned evidence, and other evidence -- partially burned envelopes and other evidence of Representative Traficant's pattern and practice of official misconduct.

Like the jury that found Representative Traficant guilty beyond a reasonable doubt of 10 felony offenses, the Investigative Subcommittee concluded that the testimony of witnesses with plea agreements or with unsavory reputations was credible under the circumstances, and further that the testimony of these witnesses was abundantly corroborated by other testimony and documentary evidence.

Likewise, with respect to any or all of the charges adopted by the Investigative Subcommittee, it will be unnecessary for this Adjudicatory Subcommittee to rely on just the testimony of a single witness. There was presented during the trial a whole array of witnesses and documents, all of which portray

Representative Traficant's continuing pattern of misconduct going to the core of his representational responsibilities.

In sum, the evidence before you will prove clearly and convincingly that Representative Traficant brought discredit upon the House, that Representative Traficant did not adhere to either the letter or spirit of the rules of the House, that Representative Traficant personally profited by virtue of influence and improperly exerted from his position in Congress, and that Representative Traficant failed to uphold the laws and legal regulations of the United States and was a party to their evasion.

Based on this evidence, you should determine that all 10 counts in the statement of alleged violations have been proved by clear and convincing evidence. Thank you.

The Chairman. Mr. Traficant, you have up to 1 hour for your opening statement.

Mr. Traficant. Can I stand over here?

The Chairman. Do you have a microphone, Mr. Traficant? You have to have a microphone for the record.

Mr. Traficant. I think it's time to put me under oath.

The Chairman. Do you want to waive your opening statement?

Mr. Traficant. No. I am going to make an opening statement, but I want to clarify that my two witnesses will be allowed to testify before this committee because you have just heard the hearsay evidence uncorroborated by any physical evidence which has lowered the bar in a RICO case to a standard that should affront Congress.

The Chairman. Mr. Traficant, this is part of your opening statement. So go ahead and proceed with your opening statement in any way you'd like.

Mr. Traficant. Any way I like? I'm glad to be here. I'm glad to be anywhere. I think it's time to look at this case.

In 1983, I was the only American in the history of the United States, pro se, to defeat the Justice Department in this, a RICO case. The case boiled down to a confession. The confession was proved to be a fraudulent document, and that's why I'm here.

I have called Janet Reno a traitor. Evidence will show that part of the genesis of this trial was the vindictive nature of Janet Reno and a targeting by the U.S. justice Department because of my stand relative to RICO relative to Reno not investigating that Chinese money.

To set the foundation for the case -- and the committee is not surprising me, they have presented to you a court document of hearsay. They say 50 witnesses. I would have had 50 witnesses, were they allowed to testify.

There's one common thread that runs throughout the entire case: Every single witness was in jeopardy and harm and got a get-out-of-jail-free card for implicating Traficant in some form of crime.

I have committed no crimes. If I committed crimes, I throw myself at the mercy of this judge, try and get 3, 4 years with the help of some friends in Congress. But I am prepared to go to jail for 10 to 12 years because I didn't commit these crimes. And I'll be damned if I'm going to be pushed around by the Justice Department.

And I want to say to this committee, I love America, but hate the government. I love the elected Members. I've met many of you and love you all. I mean that. That's not patronizing to get your vote. I don't expect your vote. But we have an aristocracy in the judiciary that is afraid of the FBI and the IRS. They're scared to death of them. And they trampled all over my rights, and I'll be damned if they're going to do it to me.

So I will take an upward departure and I will die in jail because I did not commit these crimes.

Now let's get down to the business here. I say that Janet Reno has exposed our children to a Chinese bomb, and damn it, I want it on the record. Judge Wells was approved by President Clinton and approved by Janet Reno. I have witnesses that state that they've been looking at me for 20 years and were investigating me when I walked out of that trial in Cleveland, and they'd build a monument to them if they can get anything on me. And when they could get nothing on me, they finally arrested them.

One fellow was arrested on a felony who was adjudicated by a \$30 license fee by the IRS on a felony 4, and they never collected it, Kerchum, you didn't allow him to testify. I was not allowed to pursue the vendetta.

Now let's look at the count. Tony Bucci is working on his fourth plea agreement to bring his brother Robert back to America who fled the country on a fugitive warrant. He's a damn liar. And you have

known me in Congress, and if you think somebody owns me, you find me guilty like that jury did. That jury had no choice. They did not hear a defense from Trafficant.

I wasn't prosecuted by the Justice Department; I was prosecuted by a judge who did not allow my witnesses as you are not allowing my witnesses.

Now, Count I, Buccis: Buccis is a liar. I was friends with his brother Dan who lived across the street and had a farm. I never owned that farm. My father owned that farm. I did help the Buccis, because I help everybody's company in my district because my district had a 22 percent unemployment rate. And now they're under 8, and I'm not satisfied with it; and I brought back \$1.3 billion in funds, and I busted my buns out here to get that money. My people were hurting.

I didn't come down here to make friends, and I sure as hell didn't and you know that.

When Buccis said he owned me, he lied through his teeth. Be advised his sister-in-law, Dan's widow, Susan Buccis, said he was not only a big liar, he took her money, lied about Jim Trafficant.

And I asked to borrow -- I had an old bank barn, my father had had an old bank barn there, and we wanted to take that short-height concrete floor out so it would be a taller, higher stall for horses. And they said, we can't let you use those; you can get hurt and we'll get sued. We'll send some guys out.

I didn't want the guys out. I said, if you get close to that bank barn, if you're familiar with an old bank barn, that barn will collapse. Members of the committee, they collapsed my barn.

Harry Manganaro testified that he was out there on other business. If he and I didn't jack up that one northwest corner, the bank barn would have completely collapsed, costing my father thousands and thousands of dollars; and they begged Sandy Ferrante, who lived there and showed horses there, not for me to sue them.

Did I help the Buccis? Yes. But he had to have his family ask to have him transferred.

Now, the U.S. government paid so many dollars to put a person in a halfway house in North Carolina. Well, damn it, he could have put those Federal dollars in my district that hired people in my halfway house; and his family requested it. And quite frankly I didn't like Tony Buccis; Dan was my friend. And right now they're negotiating a fourth plea agreement to bring Bob back, who fled the country.

Be advised that Tony Buccis's sentence was 6 weeks of house arrest. I've had it with this Buccis business.

Kickbacks: Sinclair said he thought first it was a loan. Look at the January 24th 302. They asked him about the building. No comment. Then they asked him about kickbacks. He says, I'll play no part in getting Jim Traficant.

One week later he signs a plea agreement. Why? I never taped a conversation in my life until Allen Sinclair told me outside the driveway of this building that he was refurbishing that they were going to implicate his wife, who signed a KAS agreement, and that he was worried about that building because he technically was in trouble over the building, as was DiBlasio.

And here's what happened. Documents will prove that Allen Sinclair opened a bank account with Home Savings and Loan under -- KAS Enterprise, President Sinclair. A month later he opened a second one, President Allen Sinclair, Secretary Kimberly Ann Sinclair. Then the secretary of state forms are filed with the agent, known as Kimberly Ann Sinclair. The building was supposedly owned by Kimberly Ann Sinclair.

Evidence will show that on page 2 of the enacting bank account of KAS Enterprise that either Allen Sinclair or his wife could take our rent check to that office and use it without either's consent. And Allen told me personally they were after him because he implicated his wife in the fraud. He already was on probation for being suspended at the Ohio Supreme Court, or the Ohio Bar Association; he was subject to losing his law license.

Now, here's what he told the FBI. He made \$50- to \$60,000 a year in his law practice and 50,000 to 60,000 a year with Traficant. In the 2-year period we're talking about, Allen Sinclair, he bought a \$300,000 house, a brand-new '98 Buick van, a brand-new car leased for \$300, and spent \$60,000 on media advertising. Where did he get the money? He made me some small loans, and I repaid them.

DiBlasio made me some small loans. After I was done in Cleveland, the IRS took me to court on the civil case and they took nearly all my pay and I netted \$2,400. Henry DiBlasio testified twice truthfully . He called me and told me the government was extorting him and pressuring him. He had a heart attack.

He also tells me on a tape, Jim, I can't afford \$250 -, \$300,000 to defend myself. After I'm convicted he reaches a plea agreement. I don't blame Henry, and I love him. But I don't blame him. I had no gain.

Cafaro, the biggest joke in history. There are two members of this subcommittee that know Attorney Percy Squire. Attorney Percy Squire was the chief clerk of the Northern District of Ohio Chief Judge

Thomas Lambrose. I asked Percy Squire, a friend of mine, to testify as a character witness. When he got there -- and I asked for him to be subpoenaed here -- Percy said, what do you want me as a character witness for? I know about the Bucci case and I know about the Cafaro case. And he did not testify as a character witness.

And here's what the chief clerk, who is now handling my appeal from Columbus, testified to: Cafaro said we were at a public meeting, probably the only time he could show association with me, and waited until everybody left. And then Jim and I walked out together and got in my car, drove around the block. I picked up the centerfold, and he took out the cash.

Here's the testimony of Percy Squire, Attorney Percy Squire, graduate of West Point. Yes, a friend. He wouldn't perjure himself for anything. Percy said, Jim, don't you remember? You were trying to put a quarter percent sales tax together in all three counties, develop an economic development fund, and you asked me to be the counsel for that organization. I got there late and wanted to talk to you. And he says, we're running late, grab me after.

He said, Jim, when I read in the paper that Cafaro said he walked you out, he's lying. He said, I walked you out and I saw you get into the green truck. Brian Kidwell picked me up in the green truck who had a cab on the back. We had, with a couple of friends, made prefab sides for a hunting lodge 8 feet high; they wouldn't fit in the green truck. Went to get my truck. Went out and installed and built that hut.

You had the testimony of Brian Kidwell, Attorney Percy Squire. And if you look closely at the record, J.J. Cafaro testified that he did lie in a previous criminal trial, but didn't perjure himself.

The only deal I had with U.S. aerospace -- and probably a true patriot that I have met in Washington is Richard Detore -- the deal was very simply this: Cafaro knows all these big guys. Gave money to all the Senators you want to think about, many Members of the House, key Democrats, key people.

I got \$4 million in an appropriation bill for U.S. aerospace. And the deal was that they'd move their headquarters and their jobs to Youngstown, Ohio, for my district. That's the only damn deal I had with them.

What they had on J.J. Cafaro on one of these tapes is very simply this: Cafaro perjured himself in a previous trial of former Mahoning County Sheriff Philip Chance, and they were pressuring him. What I've

just found out since then, too, and I haven't corroborated it yet, is the IRS was holding \$330,000 over his head at the time.

Bucheit: They kept his equipment. They told him to go to hell. The Prince over there said, sue me. He came to me. I instructed the company to file a civil RICO. As soon as it hit the Washington Post, he'd lose his diplomatic passport. They called me, and I negotiated a settlement for Pete Bucheit.

Sandy Ferrante will testify that Pete Bucheit and my father made up an agreement to shore up a deck that I built that was caving in on one side, and asked my dad to close it in; and I didn't want that. I had already had the structure built, roof and all, myself, as evidenced by the fact that part of it was falling in.

They said it was \$26,000. I've had two construction people with today's prices go out; and the time and money they spent, it couldn't have been more than \$12,000. I didn't own the farm. I didn't make the agreement.

The last testimony at trial was Leisel Bucheit that said she'd send out the invoice and doesn't know until today if it was paid. I don't have the burden of proof. So they indict Bucheit. They indict DiBlasio to keep him out.

They indict Detore. They asked Detore to noncivil-suit Cafaro -- almost an unethical act. In addition, one of the attorneys of Richard Detore says that Detore was pressured in his presence to lie by the U.S. prosecutor. Work at the farm?

I found out that George Bucella, a member of my staff, was investigated by the FBI for accepting \$2,500 to fix a DUI case in front of a judge named Judge Bailey, which I didn't know about. And to get his deal, he said he spent 300 days out there. Sandy Ferrante was out there, those members of my staff that come out come out the weekends, that like me, and most of them were looking for an a damn raise.

I never forced anybody to do anything. And I am an American; and I have friends, and my friends can help me.

Now, this business on the boat, it boils down to one afternoon; and I think West Richards testified it was sort of like a bonding thing. Hell, they drank more beer; they didn't do anything on that boat.

Now let's talk about Cafaro here. Cafaro paid for the attorney for Al Lange, as he testified the day before. I have found out since this trial, and there will be new motions now, that Cafaro asked for a demand note for the money extended to Al Lange for the purchase of that boat. Richard Detore gave me

that information. Richard Detore gave me a tape that if he didn't have two kids, with the pressure he had from the Justice Department, he'd blow his brains out.

One of the other cases was thrown out by the jury, it was so ridiculous, this businessman ripped the county off for hundreds of millions of dollars, and he said he gave Trafficant 25 or \$2,000 in a barn. Well, I put all the pictures of the barns up and he couldn't identify the barn. He was so damn poor, the jury threw that one out.

But his own brother-in-law, that was not allowed to testify, said that they pressured him to do that. And he said, I'm going to go to jail for 10 years, lose \$15 million; and I feel bad, so I added up all the money I gave to Trafficant over the years and said it was a bribe. That never was brought to the jury.

Now let's talk about the jury. I believe a jury is sacred. As Jefferson said, beware at appointment of Federal judges with lifetime terms. Some hold the Constitution like clay in your hands. God bless juries. And I hold juries sacred.

This jury had no choice. I wasn't prosecuted by the Justice Department. I think these Federal judges are scared to death of this FBI and IRS. And I think that's troubled America. I think the American people are. And Congress has allowed it. I'll be damned if they're going to scare me.

This jury pool was poisoned. The national news was, I was involved in a murder scheme to take the life of a friend of mine, a woman, who's one of those that you've allowed at the last minute to testify. And you must hear her testimony and what they did with her. Her husband had two strokes since, and he's on his death bed, damn near. They have to take him to the rest room he's in so much trouble with all-around-the-clock care.

The second one was the so-called \$150,000 barn addition. National news. While here you have a businessman with a conscience, and I'm having lunch with a friend, John Innella, whose affidavit is here. And he walks out from a Rotary meeting -- and he has a conscience -- he sits down, he says, Jim, I'm sorry; I told them what they wanted to hear. I didn't want to get indicted; it would ruin my business. I said, sit down, Henry, tell me happened; and we went over the original deal.

And you look at the Innella affidavit. That charge was never brought because the following day I taped his girlfriend, who admitted that he called his girlfriend and told her that he confided in Trafficant that he was pressured and wasn't happy with it.

The pressure from the government to get Traficant courses through every charge. I may not be an attorney, but I can tell when I'm not allowed to bring any witnesses. And they brought 50 witnesses? I'm a former sheriff. I want to get Traficant. You want a confession. Put him away. If you can't get that, do everything possible as a prosecutor, like Mr. LaTourette would recognize, to try and get Traficant to make an admission.

Do you believe from your membership here in Congress there was no wiretaps on the Traficant phone? There's no one wearing a body device to me? Is there no one that sought an admission?

And the real killer was when Sinclair says, well, then Traficant brought me an envelope with \$4- or \$5,000 in, and I immediately took it to the FBI. Well, folks, they send all these so-called documents, over a thousand, to the FBI and had to admit there was not a fingerprint on any document.

Now, I'm an old sheriff. They testified that I was just too smart, and they couldn't tape a guy like me, and I was touchy-feely.

Let me tell you what, when he took that envelope, this is the FBI, they could have steamed it, marked it, sent it back and said, look, I want no more problem with this Traficant, I'm not going to hurt you in Federal court, take this money, please leave me out of this. But when you get out of that car, you come out of that restaurant, you make sure that envelope's on Traficant.

Hell, they could have had him in an accident with a body cast. They could have put a small microphone up his rectum. They had tapes on Jim Traficant.

Now, thank God, you've just seen Dan Burton go through a case dealing with a guy named Salvati. I was their number one target in the entire country, and without a drop of physical evidence and on the spoken words of witnesses who were not allowed to be rebutted by my witnesses that clearly were eligible under the hearsay exceptions -- and you've done the same thing here, Chairman; you haven't allowed me to bring them forward.

Now let's talk about this Joe Altiero real quick. This is the one that really busts my balloons. A man shows up at the farm so decrepit he tells Mrs. Ferrante who lives there, he's had nothing to eat and been scavenging out of KFC dumpsters. He testified that he cleaned the stalls and let the horses out into the pasture.

Ladies and gentlemen, I don't raise racehorses, and I've lost money. It's a hobby. It's not even listed as a profit or gain by the IRS. I love to breed the American Saddlehorse. And I do not castrate my horses; and all my stall horses are stud horses, and they'll take your head off.

He said -- and I want to testify, if anybody knows anything about horses, that he would go in and get the horses and turn them out in the pasture, who were never turned in the pasture, which Mrs. Ferrante will attest to, which was surrounded by three strands of barbed wire fence; and then he cleaned their stalls.

Richard Rovnak, who worked for me, he came out to the farm trying to get a job because he had no health insurance, and never came out to the farm after I hired him part-time. After I got him a full-time job and took him off the part-time payroll, he was mad because I wouldn't keep him on the second job. But he tried to help me by telling the jury that he spent 16 hours a day there for 16 straight days and even slept there. And I said, where'd you sleep, with me?

I have never heard a case like this in my life, and I wasn't allowed to defend myself. And I'm going to tell you something; the people back home know that. They know that. There is not one count of which I am guilty. The only thing I'm guilty of is, I've helped thousands of businessmen -- and those Buccis have 250 workers, 70 to 100 full-time; and when they got a contract, was 250. And when they were fighting for a job, I was fighting for that job for them. And if they didn't have a friend in the world, I was their friend.

Now, the last thing and it's right to the point, I brought that guy home from Israel myself, on the plane, Demjanjuk, and I was labeled an anti-Semite. And I am bringing that up because I am sick of the charge. If that was a Jewish fellow, I would have gone and brought him home. No one in this Congress would look into his plight. He was not "Ivan the Terrible."

And now that the evidence come out of the Israeli Supreme Court, literally Mr. Hefley delivered him to me to an El Al flight, let me bring him home. But Attorney Moscowitz and OSI historians Garand and Dougherty were sitting there in Berlin when the Otto Horn perjured himself and couldn't identify Demjanjuk; but in court, at the naturalization hearing, said they identified the photographs.

I investigated, found the pictures that in fact led to the freedom of Demjanjuk. And I was labeled -- in 1991 a top ranking APAC official was fired. She named the top ten hit list. Number one was President Bush. Number two was Secretary Baker because they enforced Congress' ban on the \$12 billion loan guarantee in the West Bank and Gaza Strip, and Israel was putting homesteads in the West Bank and Gaza

Strip. Number three was Jesse Jackson. Number four out of 535 members of Congress was Jim Traficant. I'll be damned if I'll be targeted. The FBI can go to hell.

Now, as astute Members of Congress, not one FBI investigator testified at my trial to give me a shot at cross-examining him. Not one IRS agent testified. Bruce Hess was the summarist. He came in from Philadelphia. He spent 37 days there, seven trips at \$175,000 in taxpayers' money and here's what he testified to: I did no investigation. I added up the numbers they gave me. The FBI agent was a rookie, who said he took the documents to the lab, and then he choked and said there were no fingerprints -- on manila envelopes, on a fresh envelope, on plastic bags, on currency, on 1,000 documents? No admission. You could sell this to rotary, buddy. I tell you, you do what you want.

I expect you are going to do what you have to do. And I understand the political dynamics of this, but I'm prepared to be expelled, I'm prepared to go to jail, because I didn't do this.

But I am telling you this: You have allowed RICO to denigrate to the point where mothers are going to be convicted for colluding to buy Kelloggs breakfast cereal. This is RICO.

The last testimony on Buceit was, we sent him the bill. I don't even know if it was paid. Nine witnesses voir-dired under oath, not allowed to testify to rebut Cafaro, to rebut Bucci, to rebut the work at the farm who saw me repay loans to staff members that I made. And if we're talking about circumstances, where the hell is the guy at \$50,000 a year all of a sudden buy a \$300,000 house, have a '98 van a brand-new car at \$300 and \$60,000 for media advertising. And look at the January 24th 302.

Now let's talk about Detore. Detore was pressured to nonsuit his civil suit against Cafaro. He was told that they didn't want his case up during Traficant's.

I don't know what's so funny up there. Is there something funny with me discussing my life?

I didn't ask Ms. Jones to be recused. She told me she was a friend of Judge Lesley Brook Wells. And I appreciate the support been engendered by Mr. LaTourette. There was not one of these charges corroborated by any physical evidence, and not one of my witnesses was ever rebutted. And when Attorney Percy Squire, another witness, completely refutes Cafaro's testimony, who admits he lied in a previous RICO case, then I have to say, beam me up here.

So what is it, folks? If you get an enemy and they get a couple cases on them and they say you did something, Mr. Pastor, they just go ahead now and they have a pretty good standard don't they? The

government lied. Attorney Jay Harney said there was a demand note that Cafaro wanted Lange to sign. If there was a scheme on the boat, what the hell did he want a demand note for for the money?

Cafaro come in with a \$26,000 check. I said, get out of here. He was so happy, all these big contacts he had. Yes, I did get \$4 million, but ladies and gentlemen, that technology will save lives. Most planes that miss runways miss so because they land long on a runway. That laser system lands that plane right there. And I not only took Jane Garvey out to demonstrate it, but Chairman Jimmy Duncan.

And Chairman Jimmy Duncan was out in that plane, and wind was blowing like mad. When he saw those laser lights, we landed safely in Manassas. I enjoyed no remuneration from any of these people.

Susan Bucci will tell you that the Buccis owe me money. You didn't allow her to testify. So there I am sitting there.

I'm sitting here. And I know what you're going to do, because I know this institution. But let me tell you something: There's a problem with the institution. You've allowed the executive branch to become so powerful that the American people fear the government.

One of the witnesses in my case, Michael Terlecky, a deputy sheriff, just was notified by the IRS that he owes them \$140,000. Another one, Brian Kidwell, who testified that he picked me up in the truck when Cafaro lied, they went to his employer investigating him. And you know what his employer told him? Don't tell Traficant. I don't want the IRS to investigate my company and audit me.

Now David Sugar, friend -- father is a friend of my father and David, a friend of mine. He admitted over 2 years getting \$8,500 from Jim Traficant. I doubt if he did \$8,500 worth of work. But Harry Manganaro come to me in a consent tape, I love David, but I don't want to see you get hurt. He said after the second visit from the FBI they told him they were going to involve his wife and his son if he didn't play the script. And that consent tape, I even had him give me a consent tape.

So you have Sugar, you have Bucheit, you have the so-called kickbacks, you have the workers at the farm -- come on, and a businessman owned me? Excuse my mouth, I'd like to kick his ass. There is nobody that has ever owned me. And if you've been in Congress long enough, you know that.

You see, we've allowed political targeting in America. And you've got to watch what you say. And I can remember once the chairman, Mr. Hefley, telling me in the rest room, Members rest room right off the House floor, he said, you be careful, man. I think it was about the time of the Reno matter.

I said it then, and you can put me under oath, Janet Reno is a traitor. She betrayed America by not investigating the Democrat money that was received from a general in the Red Chinese army. And I'm telling it like it is, and I want it on the record that when that Chinese bomb visits this country, somebody in this House set it. And I'll be damned if she put out feelers on me.

And they will go and they will grind and they will scare people and scare people to death and threaten them with taking away their law license, involving their wife, involving their children, taking away their properties. What are they going to do with me?

And, yes, I had an investigation going on. Youngstown, Ohio, made Boston look like a choir group. My investigation, put on a Congressional Record; that will show the FBI and the mob and Youngstown has been together for years. They owned them.

I investigated them and did uncover a rape that the people did not want to believe and that Agent Spozanza threatened me and threatened me that they would get me for investigating them and -- for that rape. And that matter was adjudicated in Judge O'Malley's court in Cleveland Federal court under seal, where he admitted the digital penetration from a woman with a woman who was in a state of mental instability. And in the State of Ohio that is a felony 1 rape.

I'll be damned if the FBI agent would compromise one of my constituents desperately trying to maintain custody of her child in that fashion. If I get a hold of him, I'll break his neck before I go to jail.

But I am firmly convinced that we have an aristocracy in the judiciary. The only way they lose their damn job is if the IRS or the FBI comes after them.

And I have the greatest respect for Hastings, I'll tell you that, Alcee Hastings. And that isn't to get anybody's vote here. I didn't want to vote to impeach Alcee Hastings, and John Conyers brought it. But I didn't want to go home, here's Traficant the so-called mobster by the local press, who voted to free Alcee Hastings. I didn't know what happened to Alcee Hastings, but he must have been a damn good judge.

These judges are afraid to death of these people. I had to prove Demjanjuk was not guilty. And the people who suborned the perjury and knew Demjanjuk was not guilty as early as 1979 were never tried. Never. The Office of Professional Responsibility goes out and they do damage control for the FBI -- Waco, Ruby Ridge, Traficant.

As far as I'm concerned, the years I've been in Congress, my father would roll over in the grave if he knew I was running as an Independent. Fifty years the Democrats put the laws in and let this country go to hell. Republicans have done some good things, but the Republicans have failed to curb the power of the executive branch and the American people should not in a free republic fear their government. And ladies and gentlemen, they do.

And here's the difference here. I don't fear them. I'm ready to go to jail. And I'm going to make this statement to you, as a gentleman, fellow Ohioan, and Mr. LaTourette, both of which do a fine job. For they put me in jail in Ohio I might just be the first American to win a congressional seat while incarcerated.

But I'm asking this committee to afford a member some fairness on the light of no physical evidence and the light that my rebuttal witnesses were not allowed to testify. And I'm asking you to allow on short notice at least two witnesses that you have, in fact, allowed on a limited capacity, Mrs. Ferrante and Miss Kovachik, to testify here tomorrow. I mean, one day before you put me away, I don't think it's too much of a request from the son of a truck driver.

But I believe what you did with Mr. Detore was wrong.

Finally, I'm expecting a letter from Mr. Detore's physician, who refutes the statement of Ms. Sargeant. I don't know Ms. Sargeant. I think she's an honorable woman.

There may be some confusion over the matter. But when the confidentiality was breached with the Federal court in Cleveland, you violated, in my opinion, his rights. Detore is a very honest man, and I really feel bad for him. I think if they knew they were going to have such a great opportunity with me, they would have never messed with Detore. And they've got a problem, because Detore was pressured in front of his attorneys to lie.

Manganaro said Sugar was pressured to lie; Dennis Johnson, not allowed to testify, who went to Cafaro trying to reach him about titles to the car that I purchased. Cafaro come up to him unexpectedly, walked outside, turned around and said, tell your boss we did nothing illegal; don't worry, they're after me for my testimony in another case.

And Dennis Johnson looked at him and says, Mr. Cafaro, I'm here to talk to you about car titles, and Cafaro was completely shocked. Mrs. Ferrante sent loan repayments to both Chuck O'Nesti and Henry DiBlasio. And I find it interesting that people just push money under doors. That's interesting.

By the way, Mr. Detore spent over half a million and has had three motions filed with the Federal court. That attorney asked to be recused because he can't pay no more, and he is without counsel and has yet to go to trial.

So, ladies and gentlemen, you're being addressed by a millionaire truck driver's son. My two trials would have cost me \$2.5 million to defend myself by somebody who doesn't know the case as well as me.

I want you to be fair. And one thing you can do is, you can give a Member one day to just bring in two witnesses. But if you were really fair, you would look and listen to the witnesses truthfully who offered testimony in the courtroom and you didn't allow that. And your counsel said that it was cumulative. And there's nothing cumulative about that and they know that. That testimony was voir-dired outside the presence of the jury. The jury never heard it. And I don't blame the jury; they could only rule on that which was given to them.

And as counsels for the ethics committee, you're also dealing with a Member here. I may not be the most liked and I may have unorthodox measures and may have raided this House for some appropriation money, but I'm a Member too. I'll be damned if I'll be treated like a dog.

Now, those rules say I have reasonable time to produce some witnesses, and I think all these affidavits should be put in evidence, they should be spread across the record. If I am expelled, I'm going to ask some noble-blooded Member to place the Traficant affidavits on the record under extension of remarks, at least for the purpose of historical memorialization. Because the juxtaposition of the testimony, uncorroborated by people who of one common thread, suffering great jeopardy, versus Traficant witnesses who could only be hurt by the government subject to harm should have been allowed.

And, by God, if you don't allow it, where is there justice? If the American people, if a Member of Congress can't come to the Congress, who -- where do the American people go?

So I guess what you're hearing from me is pack my bags. I'm not going to admit to crimes that I did not do, had no intent to ever commit a crime, and will do the time. And expect a long time to try and shut me up. But let me tell you something, there will be some smoking gun that will come out before it's over in the Traficant case; and you will recognize that you let a Member of Congress be convicted on the most serious count, a RICO case, without a damn drop of physical evidence.

Now, I can get a paper trail on every letter you sent on behalf of your constituents and I can read into anything you want. And there's the one tape of Robin Best who now is so afraid of the IRS she's saying, I don't believe Traficant, I don't believe Traficant. But she says, Jim, Henry can't afford to lose his business. He can't afford to be indicted, and he can't afford the legal fees.

Where are we? Where are we in America? This is a damn joke.

Other than that, I'm feeling fine. If somebody in the audience has a cough drop, I'd appreciate it; my throat is sore. I'm having some rectal disorders, as a matter of fact, as a result of this. My stomach is upset, and I am hard to live with.

I am prepared to be sentenced to jail on the 30th of July because I've been asked to address the national convention in August, and I think everybody's scared to death of what the hell I'm going to say.

But the American people aren't stupid, and they fear government. And these agencies, not all of them, they've interpreted your laws to suit their purposes; they've twisted, distorted those laws. And if there's any count you have doubts with, show me some damn evidence.

Mr. Hefley, if you believe the United States Justice Department went back 15 years on the horse transaction, trying to find a cash transaction, that they weren't after Jim Traficant, you're mistaken.

And let me close by saying this: A horse drinks 5 gallon of water; he's going to urinate 5 gallon of water. They went back 15 years on a horse transaction. They were desperately trying to find one person that Jim Traficant paid cash to.

There was never one cash transaction ever made by Jim Traficant. And my average monthly deposits were \$482. And I had an average of \$600 cash from the farm in rent and board for horses. They couldn't find one and were afraid to expose me to an FBI or IRS investigator because they'd have been dealing with the Roto-Rooter, believe me.

RPTS O'ROURKE

DCMN BURRELL

[12:05 p.m.].

Mr. Traficant. There is no evidence. I don't blame this jury. This jury could only deal with what they got. What they got was 50 witnesses. Fifty witnesses that said what? Dan Bucci shared in the sawdust. There is his sister-in-law. Tony Bucci is the biggest liar in the world. Stole money from him. And by the

way, I brush out 40 acres of the land every year and personally with my own equipment bale 25 acres of alfalfa to help Dan Buccis, who had some problems, and never got a dime for it. And when he died, her husband told her -- his widow to give me those old farm wagons, and I knew she needed money and I gave her a \$1,000 check. I didn't have to give her a dime. And she said that Buccis owed me money. That bastard should be in jail. He got 6 weeks. I heard Cafaro got 0 to 6 months probation, no jail time. Perjured himself in a previous criminal trial. Perjured himself against me, and here I am. I am before a committee of Congress.

Now, finally, Attorney Percy Squire is dealing with the jury selection plan passed by Congress in 1967. I was tried by a jury out of Cleveland. No one from my district. What hurts me is that all 12 have a common thread as well. They said they knew nothing of Jim Traficant. They did lie on that. They knew me. One woman testified after we knew he was flamboyant but most Members of Congress are crooks and he unfortunately got caught. How would you like to hear that? Sound like a used car salesman? Another one said we don't like the way he treated the judge.

I think it is prudent and wise for this committee to exercise some quasi-legislative judicial ingenuity and to afford a Member who is facing the rest of his productive life in a prison the opportunity to at least bring in the limited two witnesses. I think you should also allow to bring in the Secret Service retiree, Michael Robertson, who did an analysis of the kickback scheme because he handled money, fraudulent transactions, and who looked at the Traficant activity of deposits and the Sinclair accounts which the government only showed one and, ladies and gentlemen, they were five.

And let me close on Sinclair by saying this. Every month he is with me, \$2500 appeared in his IOLTA legal account. 22 months after Traficant left, not -- \$2500 never appeared in his IOLTA account again. He owed Henry DiBlasio over \$400,000. They stopped DiBlasio from suing him. Both DiBlasio and Sinclair were pressured on receiving funds from the government under false pretenses of the ownership of their building and receiving the rent. Sinclair was pressured that his wife would sign the lease and would be involved. And from what I understand now, Henry DiBlasio did some work for Pete Bucheit that he charged him for. I can't prove that. And that's the case. They all got a "get out of jail free" card by saying they did something with me. Well, you can say you did something with any one of your Members, too. Categorically deny these. I would like Mr. Robertson to be brought in. I would like Mrs. Ferrante, who

could be here tomorrow by noon. I would like Linda Kovachik to be here, could be here by noon, and I don't think it is an unreasonable period of time to give me one business day to coordinate and arrange for them. And quite frankly you should have brought in all the witnesses I subpoenaed, and I think, Mr. Walker, I think you were wrong in advising your chairman not to.

So with that, I guess that about uses up my hour. I certainly don't want to rest this thing today. I do want my witnesses and I want all of my affidavits put across the record and I have some supporting documents. I have a letter to Chairman Hefley. It is a complaint by Detore. I have a letter from Chairman Hefley to Detore, July 12, 2002. On the record I want this. I want a letter from Mr. Detore from attending physician July 15, 2002. I want the original note from physician to committee 7/12/02. I want the transaction report on fax to committee from physician, 7/12/02. I want the original note from physician pretrial 7/12/02. I want the transaction report on fax pretrial from physician 7/12/02. I want the fax regarding medical records pretrial for Detore 7/12/02. I want the letter from Detore to Chairman Hefley 7/12/02. And I want a copy of the Detore subpoena dated 7/10/02 and served 7/11/02.

Finally -- you know I did endorse you for Supreme Court so you better listen, and that was a good endorsement -- and I think you should grant a limited immunity relative to the Traficant events on one Richard Detore. He is without counsel. He has spent close to \$600,000 yet to go to trial and his attorney was recused by the judge without his presence because the attorneys wanted another \$100,000 before they would file a motion. What is it coming to here, folks? Bring in Detore. Bring in Ferrante, bring in Kovachik, bring in Robertson and learn a little bit about the Traficant case and you would be surprised. You will feel better. You will like it.

But I am honored you have given me the chance to come here. It is uncomfortable for me to be here, Chairman, because I have known you and respect you. Quite frankly, Mr. Berman and I haven't got along all that well. I think he always felt a little bit that maybe I was a little one-sided on that Mideast affair, and you are wrong about that, Mr. Berman, I have respect for you. But I think you should afford me the right to bring those witnesses and I think you can wait a day. This is not going to destroy the decorum of this august body, and I think you have the collective wisdom to make that decision, allow my affidavits in addition to the witnesses that I call. I can and have made arrangements to have them here in the noonish hour and would request that we would have them at 1 o'clock to be sure.

Mrs. Ferrante's husband had several strokes since that murder scheme was announced. By the way, she was advised to go public by the feds and it really hurt me in a jury pool. They say this Trafficant must be something. On the jury selection plan, no one from my area. Part of the appeal will be the 1967 Jury Selective Service Plan passed by Congress that I think has been cannibalized by the Judiciary, and there will be other issues. And if in fact -- Freudian slip -- what was that word, smart -- okay. In fact Attorney Clarke, who is well respected, the husband of Judge Wells is a part of Squire, Sanders & Dempsey, Judge Wells under 28 U.S.C. code had the responsibility without question to recuse herself. And if Judge Wells had the responsibility to recuse herself, this jury verdict is moot because it was a defective judge that had a fiduciary, or interest in one of the key participants, that being Cafaro and his relationship with their payments to Squire, Sanders & Dempsey and their agent in Washington.

With that, I would ask the committee not to ask me any questions because I have got to go to the bathroom. I am disgusted, busted, can't be trusted, and I would like for you to give me the opportunity to present witnesses and I think it is in the best interest of the committee. Unless you just want to do the same thing they did in Cleveland and ship my buns off somewhere. If they do, you just go right ahead because I am prepared for that. I am prepared to have them to take everything I have, all the property I have, all the disgrace that they phased me through, through a press that has beat the hell out of me for years, and many of them are so dumb they could throw themselves at the ground and miss and haven't seen the light yet.

But other than that I harbor no hard feelings and ask for you to, Mr. Chairman, to approve my request to allow witnesses on my behalf and to once again give an opportunity for me. I have not conferred with Mr. Detore. I have stayed personally out of it to see if Mr. Detore -- and I think you should give some limited immunity and that he could have the right to testify to certain things and not to certain things because he knows what happened with U.S. Aerospace and there were no crimes with U.S. Aerospace. And that isn't asking very much for three witnesses. And I want to know if I can now go vote, too.

So I guess my time is up, but I think that is a reasonable request I make of you. I know you want to get this done and I understand your week schedules. And I have been reading in the paper how you expect to have me out of here by Wednesday. But the plans of my total demise I think are premature. And let me say this premature foreplay may cause you problems. I would be very careful in delineating the final outcome of what you do because I am going to make this statement. Everything you have brought is

hearsay. You have brought hearsay, and I haven't been allowed to bring hearsay. And the hearsay you brought was from people under jeopardy. And the testimony I bring is from people that can only be hurt by their truthful testimony and like Terlecky and Kidwell already being hurt. And I ask the committee to do one other thing. Look at the witnesses in the Traficant case. If you throw me out in a fit of jealous rage, in a moment of total disgust to protect those witnesses that truthfully testified on behalf of Jim Traficant who the government is now trying to destroy. Otherwise, I will break out of prison and I will make a necktie out of some of these bureaucrats because, Steven, I have had it.

And with that, I am available for whatever you do, but I think it is only fair, one day wouldn't, I think, upset the Constitution of this great republic. In fact, it might give the American people some hope that maybe they don't have to fear their government, maybe they can stand up to it and the Congress might listen to them when their questions and claims are valid.

The Chairman. Mr. Traficant, thank you for that opening statement and we have offered, as you know, complete latitude for you to make whatever case you wanted to in the opening statement. I will point out that much of your opening statement consisted of discussing the government's misconduct and pressure tactics, and those items are really irrelevant to this procedure. They, I think, are probably very relevant to any appeal you might have in the judicial system.

Mr. Traficant. I disagree.

The Chairman. I think they are very relevant --

Mr. Traficant. I think they should be the major concern of this subcommittee more than the court.

The Chairman. Mr. Traficant, I gave you an hour and I didn't interrupt you, and if you give me a couple of minutes here without interruption, then we can proceed. I think they may also be relevant for a Government Reform Committee series of hearings or something like that. But here I don't think we are interested in how, why you got here. I think we are interested in did you do the things they accuse you of. That is what we need to know, and we are relying on the testimony and the exhibits of the Federal District Court, the same testimony and exhibits that the jury relied on.

Now during our break, and we are going to break here for lunch and for your restroom break, but during the break --

Mr. Traficant. Thank you.

The Chairman. During the break if you will review the witnesses that you described to us and the affidavits you described to us and determine which ones of those have relevance as it relates to did you do these things that you are going to be accused of and the evidence that is going to be put on, we will reconsider some of those witnesses. We will consider the time limit that you want for the two witnesses for tomorrow. We will consider the affidavits, if they relate to whether or not you committed these offenses that they claim you committed.

So with that, the committee will stand adjourned until let us say 1:30.

Mr. Traficant. Could you give me a little more time than that, Mr. Chairman? I got here early this morning, 5 o'clock and could use a little more time to go through some of the documents.

The Chairman. You had a good deal of time, but if I adjourn until 2 o'clock will that give you a little more time?

Mr. Traficant. Not necessarily turning back the clock, but I think 2:30 would be more appropriate.

The Chairman. I think we have to proceed.

Mr. Traficant. Are you in that much of a hurry?

The Chairman. I will compromise with you and we will recess until 2 o'clock.

[Whereupon, at 1:20 p.m., the committee was recessed, to reconvene at 2:00 p.m., the same day.]

RPTS O'ROURKE

DCMN BURRELL

[2:15 p.m.].

The Chairman. Committee will come back to order. Mr. Traficant, let me just read from a letter that was sent to you on July 11 as we deal with the issue of relevance here. It was stated in the second paragraph it is also appropriate to reiterate here that the subcommittee's previous notice to you that it views allegations of government pressure tactics or other government misconduct as irrelevant to these adjudicatory proceedings to the extent that any such allegations are not supported by a direct and specific proffer or evidence that particular material evidence at trial was false and that the supposedly false material evidence was obtained as a result of the alleged government misconduct.

So you can deal with government misconduct if it directly affects whether or not your testimony as to whether or not you committed these acts. The subcommittee has met and will permit you to call three witnesses by -- and we will wait until tomorrow, 1 o'clock for your witnesses to be present: Sandra Ferrante, Linda Kovachik and Michael Robertson. Did you in the time we were in recess, did you come up with additional witnesses that you thought were important, Mr. Traficant?

Mr. Traficant. Yes, I did, Attorney Jay Harney. The committee ruled that Harney's testimony was not privileged and didn't accept it, and now I find that the Harney 302 and the Harney grand jury testimony has been posted on the web site, and Attorney Jay Harney could speak to the Detore matters and should also be subpoenaed by this committee as should Richard Detore. And Detore should be -- in fact, negotiated with his doctor. And before we move forward with other proceedings today, I do have questions since I have supporting documents since the break relative to the statements made by Ms. Sargeant which were incongruent with the information that I have received from the doctors relative to Detore's case and to the handling of waivers and subjects of that regard. In fact, it might be best at this time to put Ms. Sargeant under oath and I would be willing to go under oath on that issue. I would prefer to go under oath after my witnesses complete their testimony, their supporting testimony tomorrow.

I would like to recommend to this subcommittee that for the purposes of justice that they could give a limited immunity relative to the issues concerning the dynamics of the Traficant trial only relative to Mr. Detore, and any other salient points of perhaps criminal investigation and/or machinations could be left

apart. He has no counsel. He would have to have arranged with the approval of his physician. That might be able to be arranged, and I think for the sake of justice and for the importance of this matter, being that there has not been a Member expelled for 140 years, that the committee could take the time to go that step.

The Chairman. Mr. Traficant, we are trying to bend over backwards to give you an opportunity to present your case. We cannot give immunity to Mr. Detore. That is not within our power. We can't do that and so he will not be given immunity. If you can get him here, we would be happy for him to testify. But we can't also put off these proceedings in the vague notion that he is ill. He has used this as a reason not to appear for several other appearances he was required to do, and we don't know when or if he will be in a condition to do that. Even if he does show up, he has indicated to us that he would take the fifth amendment, and I don't blame him. He has got a case he has to deal with himself. We are not putting it off for that purpose. As I said, we will put off the two witnesses or the three witnesses for tomorrow. And I did mention Michael Robertson. Someone mentioned that I did not mention Michael Robertson, I hope I did mention Michael Robertson and Jay Harney.

Mr. Traficant. Attorney Jay Harney that you had ruled was privileged. It is not privileged. It has been posted on the web site now. Speaks to the veracity of witnesses that reflects a key figure in what is a conspiracy situation. And be advised that once it reaches a conspiracy level, it moves the statute of limitations back significantly, which would have knocked out several of these cases, which was a nice manipulative machination employed by the government.

The Chairman. Let me take that under consideration here just a moment.

I am going to -- in the matter of Jay Harney I am going to put it to a vote of the committee. Do any member of the committee have any questions of Mr. Traficant regarding this particular witness that you would need to ask before you are prepared to vote on -- would you like to --

Mr. Berman. I would like a caucus.

The Chairman. We are going to have a brief recess.

Mr. Traficant. Could I make a comment before you recess, Mr. Chairman? The Web site that the Harney 302 and grand jury testimony has been printed on and has been publicized on is on the Northern District Court of Ohio web site.

[Whereupon, at 2:25 p.m., the committee proceeded in Executive Session.]

[2:30 p.m.].

The Chairman. The committee will come back to order. Ms. Ferrante, Ms Kovachik and Mr. Robertson, we will put off their testimony until tomorrow at 1 o'clock at your request. It is up to you to get them here. They must be ready to proceed at that time, including with counsel if they think they need counsel. I mean that is up to them. I think at this point -- on the point of you waiting to testify until after they have testified, I think what we are going to do now is to go to the counsel, let them present the case against you, and then we are going to expect you to be ready to testify in this proceeding. And if, however, some of the witnesses or some of the events of the hearing prior to its close should make you want to supplement your testimony, you will have the opportunity to call yourself back to the stand for additional testimony.

I would remind you that you have a total of 5 hours. You have used one of it. The cross-examination of you or your witnesses will not be taken from your 5 hours. But you do have that period of time, and as far as possible we want you to use that as you best can present your case. Any questions, Mr. Traficant, before you proceed?

Mr. Traficant. I have another issue dealing with the matter again of Mr. Detore and misrepresentations made to this committee today. And on the break I was able to substantiate and corroborate some of those misrepresentations, and in fact just relieved. I want to read it.

Dear Mr. Detore, per your request, I am forwarding a copy of the document faxed to Ms. Kimberly Walker. She indicated that she needed to provide this information to the judge. Also, I made nine attempts to fax it to Ms. Bernadette Sargeant and the fax confirmation did finally come back okay. I would also like to mention that both Ms. Walker and Ms. Sargeant indicated that, with your permission, I was to discuss your case with them. I would like to remind you, as I indicated to both parties, that in order to divulge doctor-patient information, we required documentation with your signature indicating whom this information may be discussed with. During previous conversations with doctor -- and I have redacted that for the record -- you were very adamant that your case should not be discussed with anyone. That came from the neurology department relative -- and that was dated July 15. So Ms. Walker and Ms. Sargeant did know that there was no waiver at that point.

The Chairman. Mr. Traficant, if you would put your concerns about this in writing we will be happy to consider it. At this point I think it is irrelevant to our position in the hearing right now. So we are going to go ahead with the counsel's case.

Mr. Traficant. I think it is relevant because I think Mr. Detore should be brought into this.

The Chairman. We would be happy to have him here if you can get him here. If he is healthy enough to be here, we would like him to be here.

Mr. Traficant. Why don't you subpoena him, Mr. Chairman?

The Chairman. We did subpoena him and he indicated to us that he would take the fifth amendment.

Mr. Traficant. That is not here and I have information that says he would discuss that but did not say he would actually invoke.

The Chairman. That is not what he said to us, and so we are going to proceed on what he said to us.

Mr. Traficant. I have something different in writing here.

The Chairman. Mr. Lewis?

Mr. Lewis. Thank you, Mr. Chairman. At this point I move into evidence hearing exhibit No. 1, which is a certified copy of the trial transcript of the United States vs. Traficant, criminal number 4:01CR207 from the U.S. District Court for the Northern District of Ohio. Hearing exhibit No. 1.

(Exhibit No. 1 was marked for identification.)

The Chairman. Without objection it will be admitted.

Mr. Lewis. I also move into --

Mr. Traficant. I object to it. It is hearsay and constitutes hearsay. It is uncorroborated by physical evidence and it lacks an investigation by this committee to substantiate it.

The Chairman. Mr. Lewis, what is your response to the objection?

Mr. Lewis. Mr. Chairman, the evidence in the trial transcript is relevant. It is the most relevant evidence to this case. It is the testimony of the witnesses who testified under oath subject to cross-examination, subject to the extensive cross-examination of this Respondent. It would be self-authenticating as a public record if we are proceeding under the Federal Rules of Evidence. Under the strong precedent of this committee in every case where the committee has considered a member that has

been convicted, the Myers case, the Genrette case, the Lederer case, the Hansen case, the Biaggi case and the Diggs case, the committee considered the transcript of the record.

Mr. Traficant. My response, Mr. Chairman, is all of these witnesses were subject to jeopardy and harm and were rewarded for testimony by the government. Traficant witnesses which would have rebutted said hearsay were not allowed to testify and are in fact subject to harm and are now being threatened by the government; namely, Michael Terlecky, with 140,000 levy; namely, Brian Kidwell as his employment -- I don't know if this is funny. I see some members up there laughing and I think this is very important. This is a hearsay document where I was not allowed to offer testimony.

The Chairman. Mr. Traficant, hearsay is allowed under our rules. We have different rules than you have in a U.S. District Court. It is allowed under our rules as long as it is relevant and it does comply with our rules. But let me read to you a line from a letter you wrote me on July 10 and in that letter you said, in addition to the information provided herein, I intend to rely on all testimony and evidence presented in United States vs. James A. Traficant, Jr., No. 4:01CR207. So you intend to rely on this as well. The objection is overruled.

Mr. Traficant. As hearsay. But what I am asking you is you are setting a double standard here by allowing that hearsay, as the judge did in Cleveland, and not allowing hearsay from the defense. And the point is --

The Chairman. We will allow hearsay from the defense if it is relevant.

Mr. Traficant. But the point is you have denied about 20 of my witnesses and only allowed four of them and you have allowed everyone who testified there who is under pressure and jeopardy.

The Chairman. Those witnesses were not disallowed because of hearsay. Most of them were disallowed because of relevance.

Mr. Traficant. No, they weren't. They were disallowed because of hearsay exceptions that the judge overruled.

The Chairman. I am overruling your objection.

Mr. Traficant. I object to that for the record.

Mr. Lewis. Mr. Chairman, I also move into evidence hearing exhibit No. 2, which is a copy of the certified trial exhibits from the same trial. It consists of six volumes of photocopies of the exhibits that were admitted in the trial.

The Chairman. So ordered.

(Exhibit No. 2 was marked for identification.)

Mr. Lewis. And finally, Mr. Chairman, I move into evidence hearing --

Mr. Traficant. Clarification on exhibit 2.

The Chairman. The order has already been issued. Continue. Continue, Mr. Lewis.

Mr. Lewis. Hearing exhibit No. 3, which is a certified copy of the plea agreement and the guilty plea hearing of Henry A DiBlasio, case number 1:02CR03, also for the United States District Court for the Northern District of Ohio.

(Exhibit No. 3 was marked for identification.)

Mr. Traficant. Object.

The Chairman. Mr. Lewis?

Mr. Lewis. Mr. Chairman, this testimony was also given under oath and would be admitted as a public record.

The Chairman. Mr. Traficant, do you want to explain your objection?

Mr. Traficant. The Silveti evidence was all given under oath too by FBI liars, and he was in jail for 30 years and his partner died when they finally printed it out. Listen, Mr. DiBlasio would have had to spend about half a million dollars to defend himself. I don't blame him for what he did. I have a witness that will testify tomorrow that I repaid loans to him. I think these matters should be held up. You are dealing with hearsay here.

Mr. LaTourette. Mr. Chairman, may I ask a question? I heard what counsel said. It was under oath, and it is not hearsay. I don't understand what the relevance of this plea agreement is to what we are doing here today.

The Chairman. Would you explain the relevance?

Mr. Lewis. The relevance is, Mr. Chairman, that Mr. DiBlasio pled guilty to committee perjury and he stated that the perjury he committed was that he falsely testified in the grand jury investigating

Congressman Traficant that he did not make kickbacks to Congressman Traficant, that the truth was that he did in fact make kickbacks to Congressman Traficant. When he falsely stated that in the grand jury he admitted that he committed perjury.

Mr. Traficant. Attorney DiBlasio has been an attorney for many years. He testified twice before a grand jury and sent a letter saying that he was being pressured and extorted by the prosecutor after my conviction, probably still thinking he didn't want to spend a half a million dollars. I have a witness tomorrow that will say she had in fact seen me repay loans to Henry DiBlasio. You are putting on hearsay. These people say anything to save themselves the money. I think this is after the fact. It was after the trial, and I think you should come up with some corroboration and some proof.

The Chairman. Objection is overruled. Mr. Lewis?

Mr. Lewis. At this point, Mr. Chairman, I will now summarize the evidence presented at the trial that supports the Statement of Alleged Violations, and Mr. Kellner and I will be glad to take questions from the subcommittee at the end of this presentation.

Fifty-five witnesses did testify at Congressman Traficant's trial for the government. However, 29 witnesses did testify under oath before the jury for the defense. So any testimony that you heard that no one was allowed to testify for the defense is not true. Twenty-nine witnesses testified for Mr. Traficant at his trial. In addition, each of the witnesses who testified for the government were subject to cross-examination and was extensively cross-examined by this Respondent.

Count I. Count I charges Congressman Traficant with agreeing and also that he agreed and did exchange official acts for things of value with Anthony Bucci and Tony Bucci for a 10-year period from 1986 to 1996. 17 witnesses testified for the government at the trial. The key witness was Anthony Bucci. He and his brothers Robert and Daniel owned two highway paving contract companies in the Youngstown, Ohio area, asphalt specialists, and when that went out of business, prime contracting. Mr. Bucci testified that the company employed about 50 individuals. He testified that during the mid-1980s, the company started having trouble with the Operating Engineers Union.

In 1986, they asked Mr. Traficant to help them with their problems with the union. Now Bucci testified he did not know the Congressman well at that point, but the Congressman did have a record of prior success for working out relations between unions and local companies. He testified that the Congressman

did work out an arrangement for an agreement between Mr. Bucci's company and the union to pay a nonprevailing rate below the minimum wage that was very beneficial to the Bucci company.

Now in addition to Bucci testifying, there was evidence presented. I ask for you to turn to your hearing booklets that contain the hearing exhibits and look to hearing exhibit No. 4. And a copy of the hearing exhibits have been provided to Congressman Traficant and this is a copy that corroborates Tony Bucci. It is a letter from Asphalt specialists to the Congressman dated December 5, 1986 by Dan Bucci asking the Congressman for help with the union.

Hearing exhibit No. 5, the next one, is a copy of the agreement that was signed between the union and the Buccis showing that that agreement was in fact made.

Mr. Traficant. Object.

The Chairman. State your objection.

Mr. Traficant. Most of these acts he is talking about occurred more than three previous Congresses. None of them have anything to do but advocacy on behalf of an employer and his employees. The committee rules completely state -- this is talking about 1986. I mean they went back to 1986 looking for cash disbursements on me. What are we into here? The advocacy role of the Congress is in fact to do those things.

Mr. Lewis. Mr. Chairman, I did not interrupt the Congressman. The Congressman knows very well that procedural issues are supposed to be debated before now. The SAD states it goes from 1986 to 1996. 1996 is within three Congresses.

The Chairman. Objection overruled.

Mr. Traficant. What were the acts in 1996?

Mr. Lewis. I will continue with my presentation.

Mr. Traficant indicated to Tony Bucci that he wanted to have some work done at his farm. The testimony at the trial is Representative Traficant had a farm outside the Youngstown area. Tony Bucci went to that farm and after talking to the Congressman agreed to help him. He thought they would be paid. He sent a series of bills to Congressman Traficant, a series of bills which he received no response. If you look at hearing exhibits No. 6 and 7, those are examples of the invoices sent by the Buccis to the Congressman in 1987 and 1988. He identified hearing exhibit No. 6, dated May, 1987, \$10,000 worth of

work done at Congressman Traficant's farm, 300 hours of work. Bucci also identified hearing exhibit No. 7. By October 1987 Congressman Traficant owed them a balance of \$12,985. If you look at the top of exhibit No. 7, it states for work done at farm, State Road 165, per Mr. Jim Traficant's instructions. Eventually the Buccis had to threaten to file a lawsuit to get their money.

I would ask Mr. Kellner to put up a chart of hearing exhibit No. 9, and there are copies of this exhibit in the members' booklets and Mr. Traficant's booklet.

Mr. Traficant. I didn't hear that.

Mr. Lewis. There is a copy in your booklet.

Mr. Lewis. Chart No. 9 is a letter from Attorney John Spain to Representative John Traficant, dated November 14, 1988, regarding the filing of a lawsuit, an account balance that he owed the Buccis \$12,985 as of that date. The Buccis testified that he was worried about the possibility of suing the Congressman, worried about the possibility of losing Federal work projects, but he also said he couldn't afford to lose almost \$13,000 in labor and materials. The dispute was finally resolved. Mr. Bucci went to a meeting with Charles O'Nesti. Charles O'Nesti was Representative Traficant's District Director. Charles O'Nesti told the Buccis if they forgave the debt to the Congressman, the Congressman could do things for them in the future. Bucci then met with the Congressman himself and Mr. O'Nesti. Bucci said that is a lot of money. I would expect a lot of favors from you, and Mr. Traficant said, I can do more for you in the future. Bucci testified they reached an understanding: Number one, that the \$13,000 debt would be forgiven; two, that the Congressman wanted continuous work done for him and wanted continuous work done at the farm; three, that the Congressman in exchange would help the Buccis.

Tony Bucci felt that he discussed it with his brother and they felt the \$13,000 wasn't a bad price to, quote-unquote, own a Congressman. In exchange, Congressman Traficant agreed to do official acts for the Buccis. In 1991 and 1992, Anthony Bucci was convicted of two Federal charges and was sentenced to 6 months in Federal prison. He was convicted for defrauding the Veterans Administration by failing to pay the prevailing wage rates required by Federal contracts and filing false payroll reports. One conviction was for 10 counts of filing false statements and five counts of mail fraud, and the second conviction was for conspiracy to file false statements. He was sent to prison in North Carolina. He asked Mr. Traficant to

help transfer him to a prison closer to home. And the Congressman did help transfer Anthony Bucci to a halfway house in Youngstown.

The corroborating evidence is exhibit No. 14, which is a letter to the warden of the Federal prison in North Carolina where Mr. Bucci was incarcerated from the Congressman asking for Tony Bucci to be moved. He was transferred to the Youngstown halfway house.

The Congressman also helped Tony Bucci retain privileges at that halfway house. Mr. Bucci was allowed to work for his company while he was at the halfway house, which he testified was very significant that he was able to do so. He was allowed to leave on weekends and he did not come back on a weekend. He did not call in the way he was supposed to and he was going to lose those work release privileges and he asked the Congressman to again intervene for him. Hearing exhibit No. 15 is a fax from Congressman Traficant's office and a letter to the halfway house from the Congressman thanking him for the conversation and thanking him for helping Tony Bucci and not punishing him for violating the privileges.

Congressman Traficant also helped the Buccis with the Department of Transportation. Based on Tony Bucci's conviction, he was going to be disbarred for 3 years from receiving any Federal contracts. His brother Robert was also convicted of a misdemeanor and was going to be disbarred for a period of time and Asphalt Specialists was going to be disbarred. William Baccus, an attorney for the Department of Transportation for over 25 years, testified in front of the jury that he received a call from Congressman Traficant. First and only call he received from a Congressman in 25 years.

Mr. Kellner will put up chart No. 16, which was a letter from the Congressman to Mr. Baccus. So in addition to the phone call, there was a letter from the Congressman. It corroborates that the Congressman called him thanking him for the phone call and it indicates that through me, his personal representative, Congressman Traficant, Anthony Bucci was requesting that he not be disbarred.

I would also like you to look at exhibit No. 17, which is a letter from Congressman Traficant to the Secretary of Transportation. In this letter the Congressman states that prime contractors should not be disbarred because Cheryl Bucci, the wife of Anthony Bucci, is the President of the company. Anthony Bucci testified that he and his brother ran the company, that Cheryl Bucci did not run the company. But hearing exhibit No. 17 is another example of an official act that the Congressman did for the Buccis. The result, Anthony Bucci's disbarment was lowered from 3 years to 18 months. Robert Bucci's was lowered

to 6 months. Asphalt Specialists was disbarred but Prime Contracting was not disbarred, which allowed the Buccis to stay in business.

There are other official acts. There are official acts with the Department of Labor. In addition to being disbarred from the Department of Transportation, the Department of Labor was going to disbar the Buccis. Congressman Traficant made phone calls to Thomas Buckley, an investigator for the Department of Labor. He worked for Labor for 18 years and he stated this is the first and only call he has ever received from a Congressman.

The Congressman also intervened for the Buccis with State authorities. He intervened with the Ohio Department of Transportation. As Mr. Kellner stated, David Dreger, a supervisor for the Department of Transportation, testified about meetings and phone calls by Congressman Traficant for the Buccis complaining about an investigator Tom Williams. If you look at hearing exhibits 11 and 12, those are copies of personal notes that Mr. Dreger made about phone calls with the Congressman, that the Congressman was threatening to go over his head, threatening to go to the Director of the Ohio Department of Transportation and things of that nature. Hearing exhibit 12 were his notes about a conversation he had with the Congressman on May 26, 1995, about an incident at a State park in Ohio, Mosquito State park. The Buccis wanted to pave on Memorial Day weekend and the State inspector Tom Williams did not want them to. He felt it was improper. The Congressman said he would call Jerry Ray, who was the head of the Ohio Department of Transportation.

If you look at the next exhibit, hearing exhibit No. 13, those are the notes of Congressman Traficant's Chief of Staff, Paul Marcone, about that meeting. If you look at it at the very top, it identifies the three Bucci brothers. It comments about a phone call from Traficant to the ODOT Director as he stated what he would do to Tom Williams. About 250 jobs. It corroborates the testimony of Tony Bucci and David Dreger, hence the notes of Paul Marcone, the Congressman's former Chief of Staff. The investigator himself testified, Tom Williams. He worked for the Ohio Department of Transportation for 37 years. He recalled the Mosquito Park incident in that Bucci testified that Bucci told him that he asked Traficant to straighten out Williams. Williams said that he talked to the Congressman on the telephone. The Congressman said you have no right to do this. Why are you picking on my friends? Why can't they pave over the holiday weekend? I am going to have a meeting and I am going to have your job. Williams said

he would meet Traficant anywhere and Traficant said I don't have to meet with you. I can meet with the head of ODOT and I can meet with the Governor.

Mr. Williams was cross-examined by Traficant. And in response to a question by the Congressman, were you ever mad at me, was I ever angry at you, Mr. Williams said, the only time I was ever mad at you was at Mosquito Park when you took the side of the Buccis against 3,000 people who were trying to use the State park that weekend. You are supposed to be representing the people and you took the place of two convicts who you constantly refer to as my friends against those 3,000 people.

There are many other official acts. They were very important to the Buccis because they testified that 97 percent of their work was done at the Federal level or with the Ohio Department of Transportation. But as the Congressman said in his opening statement, it is okay for a Congressman to do official acts for a constituent. What is not okay is when he received things of value in exchange for that work. Number one, he forgave the \$13,000 debt. Number two, he did provide continuous work -- the Buccis did provide continuous work for the Congressman at his farm for a long period of time.

Mr. Kellner will put up chart No. 10, which is a handwritten list of things that the Congressman told Tony Bucci he wanted done at his farm and Tony Bucci said he did do at his farm. Now the handwriting in hearing exhibit No. 10 was testified to by the Congressman's former secretary, Grace Yavorsky, who stated that was his handwriting. It is also identified as the Congressman's handwriting by Wes Richards, his former Chief of Staff, his Chief of Staff for 3 years. And Tony Bucci said he was given this list by the Congressman in a restaurant in the mid-1990s and it was a list of things that the Congressman wanted done. If you look at the righthand portion and there is again a copy in your notebooks, it says fill dirt and manufactured sand. Bucci said that was manufactured sand that the Congressman wanted for his corral. It says haul debris. He said that he hauled debris from the Congressman's farm. Another witness who worked for the Buccis, Tim Walsh, came before the jury and testified that he did go to the Congressman's farm on numerous occasions and hauled debris.

Number three, sawdust for horse bedding. Bucci said he brought many loads of sawdust to the Congressman's farm. Tim Walsh also said he did that and James Ragazzino, another employee of the Buccis, said he did that. It was not just a little bit of sawdust but over 30 loads of sawdust.

Number four is oats for horses. Number five talks about driveway and barn lanes. And Bucci said he regraded and added slag to those driveways. Again he said it wasn't de minimis. He said it was over 300 tons.

Grading, another employee of the Congressman's, Bruce Pierce, testified that he did the grading. Hay wagons and finally 429. Bucci testified that dealt with the Congressman's personal residence and he actually did not do that work. Bucci also stated that over the course of 1986 to 1996 he gave the Congressman a Ford pickup truck for 2 years and gave him a 2 or \$3,000 riding mower that was never returned.

But it is more than just the testimony of Anthony Bucci. Joseph Altiero also testified. He was an employee of the Buccis. He testified that he worked at the Congressman's farm for 6 months on a regular basis, not every day but on a regular basis. He stated he repaired tractors and fixed fence posts. He repaired and cleaned horse stalls, he worked on landscaping, he fixed the roof, he baled hay, he fed the horses, he fixed the floor of a barn. He was paid by the Buccis. He was not paid by the Congressman. Five other employees of the Buccis testified that they did the same sort of work, not for that long a period of time but the sort of work you see on hearing exhibit No. 10. And in addition, they testified that they did bulldozer, backhoe work just like Bucci said they did.

But another witness testified. Paul Marcone, the Congressman's former Chief of Staff, testified and Paul Marcone did not have immunity and did not have a plea agreement and did not talk about being pressured by the government. The Congressman's former Chief of Staff said at that one point in 1996 a staffer complained to him that he was upset that the Congressman kept asking him to do work for the Buccis. He said why are we doing this, they are crooks, criminals, they are convicts. As you will see, the Congressman's staffer is right. Tony Bucci is a crook. He has been convicted of four felonies, but his own staff is saying why are we helping this person. That staffer's name was Jim Welfley. Paul Marcone said he went to the Congressman and said why are we helping this person and the Congressman said that is my business. I will take care of it. Don't get involved. So there was work for the Buccis in 1996.

And finally, I would like to read to you about the Buccis from Paul Marcone's testimony. And I direct you to page 1458 of the trial testimony. And on redirect, the Congressman's former Chief of Staff was asked the following question: Do you recall Congressman Traficant asking you if the office of

Congressman Traficant treated any company any differently than anybody else. Do you recall that?

Answer: Yes. Question: Were there some companies that the office spent more time helping than others?

Yes. Question: Where would the Buehite companies fit? Answer: They would be at the top of the list.

Question: How about Cafaro and USAG? Answer from the Chief of Staff: Very high on the top of the

list. Question: How about the Buccis? Very high on the list. Question: So it is fair to say that the

Buehites, Cafaro and Buccis received more time and assistance from your office than over the 100 other

companies or so you testified you helped over the years? Correct.

That is the testimony of former Chief of Staff who was not pressured, did not have a plea agreement and did not have immunity.

RPTS THOMAS

DCMN MAYER

. Mr. Lewis. Now, Mr. Bucci did have immunity and he had a plea agreement. He had immunity for everything but perjury at the trial. He had a 1981 conviction for false tax return. He had the two '92 convictions I told you about. He admitted to a string of other misconduct, uncharged misconduct.

Tony Bucci told the jury that he regularly attempted to hide money from the IRS, that he filed false tax returns, that he filed false wage and employee benefit statements with Federal, State and local agencies, that he fixed paving contracts, that he submitted false change orders on contracts, that he failed to comply with specifications on contracts, that he used less paving material than required in contracts, he said that he stole paving material, et cetera, et cetera, et cetera.

And he admitted to a fourth felony conviction during the late 1990s, he pleaded guilty in 1999 to one count of income tax evasion and mail fraud, was sentenced to 8 to 21 months with no cooperation agreement. So the jury saw the sort of man that they were dealing with, and they also saw the sort of man that the Congressman dealt with.

Tony Bucci told the jury and was extensively cross-examined by the Congressman what his motivations were. After he pled guilty to his fourth felony conviction, he did go to the government later in the year to see if he could reduce his sentence. He made them a proffer. They said, well, we're going to see if we can a verify your proffer.

And an FBI agent did testify to the trial jury, Special Agent Joseph Bushner testified that the FBI investigated and verified Bucci, that the investigation started an IRS/ Department of Labor case against Bucci and resulted -- and that's how he came forward with the allegations, and that's how they first got the information against Congressman Traficant from Tony Bucci in 1996.

During the course of their investigation, the FBI uncovered other allegations that lead to Count II of the SAV. Five witnesses testified for Count II and involved another local paving contractor, David Sugar. He was the head of Honey Creek Contracting, and as the Congressman said, he was a family friend. He was close friends with the Congressman's father and he was also friends with the Congressman.

Mr. Sugar's son had a DUI conviction, and he went to the Congressman for help. Again, the Congressman said, no problem, I'd be glad to help you. But the very day Mr. Sugar asked him for help, Mr. Traficant said, why don't you come out to my farm and I'll show you some things that I need done.

So just like Count I, Count II, I'll show you the official acts that the Congressman did. If you turn to hearing exhibit No. 18, that was a letter to the court that's a letter to the judge who sentenced Mr. Sugar's son, from the Congressman asking for help. Hearing exhibit No. 19, another letter to the halfway house in Youngstown, stating that the Congressman and his staff contacted the halfway house and asked for help. And you'll see that is very important to Mr. Sugar. He said that he had lost some workers and it was very important that his son appear on the work release program and help do his work.

In exchange, David Sugar testified under oath that he gave Mr. Traficant \$10,000 to \$12,000 worth of work at his farm. He did not bill the Congressman for the work. This work was done in April of 1999. There is no bill, "I was not paid by the Congressman until the late fall of 1999 when reports came out that the Congressman was under investigation."

At that point, David Sugar testified that Mr. Congress -- Mr. Traficant did show up, like I said, in his opening statement and gave him a check of over \$1,000 to pay for the work; but it was only after Mr. Traficant was publicly under investigation and the Congressman told him, they're watching me very close.

Mr. Sugar also did something. He created fake invoices. He told the jury, I was worried about what I was doing. I figured I'd better have some documentation that I'd actually billed the Congressman. So he created fake invoices and gave those to the FBI. However, he told the FBI the Congressman was not involved in those fake invoices. So David Sugar pled guilty to lying to the grand jury about not doing the work at the Congressman's farm, witness tampering because his secretary had to back him up on the false invoices, and for false identification of the documents.

Now, you've heard that -- you may hear the testimony of Harry Manganaro. The Congressman said -- he will tell you that David Sugar told him that he testified against the Congressman because he was threatened by the FBI. Well, Mr. Sugar testified about that issue in front of the jury, and he was extensively cross-examined by the Congressman on that issue; and he stated that he was not threatened by the FBI and he was not threatened by the prosecutors and that he was not scared.

As far as Harry Manganaro, he testified in front of the jury, a witness who actually testified under oath on behalf of the defense, and he did testify and told the jury that Sugar told him that he was scared of the FBI. So some of what you're hearing is not new and some of what you're hearing, the jury actually did hear.

Count III: There is evidence of a third agreement between the Congressman and a local businessman. Eight witnesses testified regarding Count III. This dealt with the Cafaro company, which is an important local business in Youngstown. The company developed malls and manages real estate throughout the country. It's the eleventh largest real estate management firm in the country.

The lead witness was a member of that family, John J. Cafaro. He was -- he told the jury, in the late 1990s he was interested in marketing an enhanced laser technology to airports. In addition to airports, the technology had a nautical and military application as well, helicopters to be used for, and the Army and Navy were interested in it. He told that the Cafaro family funded a new company the U.S. aerospace Group and invested millions of dollars in it. But they needed FAA certification for the laser system.

The jury heard that there were three key employees at USAG. Cafaro himself handled funding and the end product; Rick Detore was the day head of the company; and Al Lange was the chief engineer. As the Congressman told you in his opening statement, Mr. Detore is the Congressman's codefendant, and it was his codefendant in the superseding indictment which is severed, and he is now waiting trial. You have here that he's been subpoenaed.

Cafaro talked about his background with Congressman Traficant. They met in 1977. He was initially a supporter of the Congressman. They had a fight over a campaign ad, and he admitted to the jury and was quite up front and said that he and the Congressman were bitter enemies for quite a period of time. However, he went to his local Congressman and asked for help with obtaining the FAA certification for the laser technology; and he stated that the Congressman agreed to help. The Congressman said, I'm on the Transportation Committee, I'm on the Aviation Subcommittee, I can help you. You heard the Congressman say he did obtain a \$4 million appropriation for the program.

In exchange, Cafaro agreed to help the Congressman with money and things of value.

The Congressman did begin meeting with USAG officials, he began to have regular dinners with Mr. Cafaro on Capitol Hill and sometimes with Al Lange. As with the other two counts, there is evidence of

numerous official acts. There is evidence in the hearing exhibits and throughout the trial record of numerous press releases on behalf of the technology by the Congressman.

Paul Marcone testified that there were meetings with the Congressman and meetings at the Congressman's office with USAG and FAA. There's a demonstration of technology for Jane Garvey, the FAA administrator, and for Congressman Duncan.

I'd like Mr. Kellner to put up chart No. 28, which is hearing exhibit 28. This is just one example of the numerous official actions. It's a fax from Paul Marcone, the chief of staff, to Richard Detore of USAG. At the bottom it says, please make sure J.J. sees this. And that -- testimony at the trial was that J.J. was John J. Cafaro.

Could you put up the second page? The second page is the letter from the Congressman to Jane Garvey inviting her to the demonstration. And you can see a portion of the document was redacted at the district court level.

Now, what did Cafaro do in exchange for those official acts? He testified that did he the following: That he paid for the repairs, slip fees, and related expenses for Mr. Traficant's boat that were worth about approximately \$26,000. He also stated that he gave the Congressman \$13,000 in cash as a partial payment for that boat. He also paid for the numerous restaurant meals of the Congressman and Mr. Detore and Mr. Lange that were worth approximately \$3,600. He also gave the Congressman a welder that the Congressman requested, costing approximately \$3,000, a generator worth approximately \$2,700, and the loan, or free use, of four automobiles.

The first issue I'll talk about, the money spent on the repair of the Congressman's boat. When Cafaro asked the Congressman for help with official acts, the Congressman said I need you to help with my boat. The Congressman said, we're doing favors for one another.

At the trial there was testimony by many witnesses about the Congressman's boat. Tony Bucci actually testified that the Congressman wanted help with his boat. Robert Gatti, a witness, who testified for Count X, said that he was brought down to the dock on the Potomac where the Congressman's boat was and was told that the Congressman needed help with the boat. And finally, Paul Marcone, the Congressman's chief of staff, said that the Congressman was always trying to get people to buy his boat.

There was testimony at the trial about the boat. It was a wooden boat in poor shape. The Congressman asked Cafaro if there was any way that the boat could be -- if fiberglass could be put on the boat. And that was relevant because one of the Cafaro Company projects in the 1980s was the Avanti car company, which is a fiberglass car, so the Cafaros had background with fiberglass.

Traficant really talked to Cafaro about getting the boat bought. He talked about it and he talked about it and he talked about it. Finally, USAG said, we will buy the Congressman's boat and we will use it for the nautical testing purposes of the enhanced laser technology.

Now, both Lange and Cafaro testified that that was not on the up and up because they did not need a wooden boat in bad shape for nautical testing. If they were going to buy a boat to test the laser technology, they would have bought a new boat or they would have bought a fiberglass boat. They wouldn't have bought a wooden boat in bad shape.

The way the boat deal worked was Mr. Detore handled the details. And as you know, Mr. Detore is not here. Cafaro funded it, and Al Lange actually did the repair work on the boat. Initially, Cafaro just offered to buy the boat outright and he offered the Congressman \$26,000. If you look at hearing exhibit No. 21, that's a copy of the cashier's check that Mr. Cafaro offered to the Congressman for the boat.

Cafaro said that Richard Detore, the day operator of the company, came back and said that Traficant did not want to receive the money from Mr. Cafaro, that Mr. Cafaro was too high profile an official in Youngstown and that wouldn't work. Detore suggested that they do a scheme in which it appeared that Al Lange actually bought the boat.

Now, Lange testified to the jury -- and, coincidentally, Al Lange is a yachtsman and had a boat already. He said, I had a very nice fiberglass boat, so there's no way that I was going to buy the Congressman's wooden boat unless it was something that Cafaro told me to do.

Now, they said that they made up a story that apparently Mr. Lange's father worked for the same company that built the Congressman's boat, and that he would say that he was doing it for nostalgic reasons. He testified quite directly to the grand jury -- to the jury that he did not want to buy a wooden boat, particularly a boat in as bad shape as the Congressman's. Cafaro told him and Cafaro told the jury, but we have to do the Congressman a favor, and that Cafaro would pay Lange.

Now, Mr. Kellner is going to put up hearing exhibit No. 41. There are numerous exhibits in the hearing exhibit Nos. 23, 24, 25, 26, and 27 and then 33, 34, 35; those are all photocopies of the checks that were submitted to the jury that are from Cafaro, or from Cafaro to cash to Lange, for the boat and those document the \$26,000 that the Cafaro Company spent on the Congressman's boat, repairing the Congressman's boat.

That's not it, Ken. 41, it's a summary chart of the reimbursements by Cafaro to Al Lange.

Now, there was also evidence that Lange actually did have the boat repaired. Government's exhibit 8-36, it's in the actual evidence notebooks, it's 48 pages, so I didn't copy it for the hearing notebooks, but it's 48 pages of receipts, statements, statements from Ernest de Groot, the person who actually worked on the boat; Bruce Senini, who did the survey of the boat, some of them are handwritten, some are printed, some of them are typed.

Hearing exhibit No. 40 is a chart summarizing those expenses, that Lange was paid for the boat, that Lange paid for the boat repairs. Lange testified that he spent a few hours a day after work, or either in the afternoon, for about 2 months working on the boat. His testimony is corroborated by hearing exhibit No. 22, which you'll see in your books is a handwritten purchase and sale agreement of the boat between Mr. Lange and Congressman Traficant.

Lange said that Cafaro made him do it. He wanted to make -- he wanted the sale to look legitimate. Lange said he signed it because if Cafaro backed out of the deal and Traficant tried to sue him, he would actually have a document.

Now, the evidence showed that while Lange was repairing the boat, there was some damage to the boat. It was taken out of the water one day and the plank separated in hot weather and a higher tide than usual occurred and water seeped into the engine. Now the charge has been made that Al Lange actually destroyed the Congressman's boat. Lange testified and told the jury there was a small degree of damage to the water -- to the engines, but that the engines had been turned over rarely in 3 or 4 years; they hadn't been started in that -- after he finished the outside work on the boat, the next step in the boat was going to be repairing the engines, and that he did not actually destroy the engines in the boat.

And the receipts that I just mentioned, exhibit 8-36 indicate that engine work was still needed in the boat.

The next thing of value that was given to the Congressman by Mr. Cafaro was \$13,000 in cash. In the fall of 1998, Cafaro testified before the jury that the Congressman asked him to pay him up front half the money for the boat. The holidays were coming up. The Congressman said he was short of money. As you heard in his opening statement, the IRS was attaching his wages, garnishing his wages, and he needed money. Cafaro agreed to give him \$13,000. He said he would give it to Lange. Traficant indicated to him that he wanted the cash from Cafaro. So there was a meeting at Youngstown State University on November 14th, 1998, a committee to promote the future of a General Motors plant in Lordstown.

Now the Congressman indicated that there was -- that was only -- the only time that he had a public meeting with Mr. Cafaro, but I would point you to hearing exhibit No. 30, which is a press release from the Congressman's office indicating that Congressman Traficant appointed Mr. Cafaro to the executive committee that was addressing that Lordstown/General Motors situation.

After the meeting, Cafaro told the Congressman that they had to go for a ride. They got into Cafaro's Cadillac and Cafaro had placed the cash in an envelope on the armrest, the Congressman took it, they drove around the block and he got out.

Now, hearing exhibits 31 and 32, those are check ledgers and the checks for \$8,000 and \$5,000 dated the day before that incident, November 13th, indicating that Cafaro cashed \$13,000 in cash on November 13th. The jury also heard the testimony of Patricia DiRenzo, who worked for the Cafaro Company, who said she actually cashed those checks and gave cash to Mr. Cafaro on November 13th.

If you also look at hearing exhibit No. 29, that's a copy of Mr. Cafaro's date book that shows that on the morning of Saturday the 14th it indicated that did he have a meeting at 9 a.m. at YSU, for Youngstown State University, Phelps Urban Studies Building, second floor.

Cafaro talked about the end of the scheme with the Congressman. USAG never actually obtained the FAA certificate. Things didn't work out well.

Cafaro actually fired Richard Detore; Lange replaced him. Lange testified before the jury that he, in fact, was not totally straightforward with Detore over that situation. The Congressman was very upset that Richard Detore was fired and that there was bad blood at the end.

The FBI subpoenaed USAG, and Cafaro said it was impossible to continue work with the subpoenas. They were unable to meet the specifications for the Army appropriations, and he shut down the company.

Cafaro hired an attorney, and that attorney told Lange that Lange -- since Lange was heading USAG at that point, Lange should get counsel; and since he was still employed by the company, Cafaro agreed to pay and continued to pay for Mr. Lange's legal work.

Their attorneys did not -- Lange's attorney did not talk to Cafaro, did not consult about the testimony. And it was alleged that under long cross-examination by the Congressman that because Lange was -- his attorney was being paid for by Cafaro, that he was actually testifying the way Cafaro wanted him to.

If you look at what also was told to the jury, in fact, Lange told the jury that he thought Cafaro was not a truthful person; and it turned out that Lange provided the initial evidence that led the FBI to Cafaro. Cafaro pled guilty to conspiracy to provide unlawful gratuities to the Congressman. He also did, in fact, admit to Lange under oath in another matter.

Counts IV and V: Allen Sinclair. Allen Sinclair was the Congressman's administrative counsel in his Youngstown district office, the official office where that -- the Congressman did agree to and did employ Allen Sinclair, that the Congressman rented the district office space in an office building owned by Allen Sinclair and that he continued to employ Sinclair.

The things of value were \$32,000 in salary that Mr. Sinclair kicked back to the Congressman in the agreement to rent him the office space. There are four witnesses. This conduct continued from the fall of 1999 through January of 2000. That's -- Count IV is the course of conduct.

Count V, the Investigative Subcommittee charged the actual receipt of the gratuity by the Congressman, the demanding and the receiving of the cash.

Allen Sinclair worked for Henry DiBlasio. Henry DiBlasio was an attorney in Youngstown, who had a private practice. At the same time Mr. DiBlasio had his private law practice, he was also the full-time administrative assistant to Congressman Traficant. Sinclair worked for him as a personal injury attorney.

In 1998, DiBlasio retired as the Congressman's administrative assistant. Sinclair testified that the Congressman came to him and said, I want you to go to work for me. I've seen you around the office working for DiBlasio and I think you would fit in well.

Allen Sinclair told the Congressman, Congressman, I'm a personal injury attorney. That's all I've ever done. I've got no congressional experience. I've got no experience of this sort. The Congressman said, I really want to you work for me. We've got some economic development work you can do, and I think you

can work out. You can even continue to do your own law practice while you're my administrative counsel. There's just one thing, Henry DiBlasio gave me a part of his congressional salary every month and you have to do the same thing. Allen Sinclair agreed to do that.

He also stated that DiBlasio also told him that he gave a kickback to the Congressman every month, and that was part of their deal. DiBlasio also told him, I own the office building and I'm going to sell it and then you can buy it and then you can continue to do your legal work in this district office building, and the government will pay you rent. So hearing exhibit No. 47 is a chart of the money that Allen Sinclair said he gave to the Congressman.

Now, in your notebooks are hearing exhibits 42 through 46. Those are Allen Sinclair's Congressional paychecks, his bank deposits and bank statements indicating that in the 13 months that he worked for the Congressman, he took out \$32,600 in cash. As the Congressman said, that's not direct evidence of a kickback, but it also shows that every month \$2,500 in cash was taken out of Allen Sinclair's personal account -- 13 transactions, 13 transactions involving his congressional paycheck for a total of \$32,600.

If you look at hearing exhibit No. 48, that's a district office lease agreement between KAS Associates and Traficant. KAS Associates stands for Kimberly Ann Sinclair, Sinclair's wife. Sinclair testified that the building was in his wife's name, but he in fact owned the building. The building was put in his wife's name because Congressmen cannot rent buildings from employees, so it had to be in his wife's name.

Now, we come back to Paul Marcone, the Congressman's chief of staff. Paul Marcone testified to the jury that he strongly opposed hiring Allen Sinclair. He strongly opposed paying Allen Sinclair \$60,000 a year with no congressional experience.

Mr. Kellner will put up chart 49 now, and you'll see that when Allen Sinclair was hired, with no experience, he became the second highest paid person in the Congressman's congressional office, not just his district office but the entire office.

Paul Marcone went to the Congressman and said, that's just not right. Your Washington staff is not happy. You have a legislative director who's worked for you for many years, and he wants to know why a personal injury attorney with no experience is getting paid \$60,000.

Count VI: Count VI is a small period of time from January 21st, 2000, to February 29th, 2000. It states that Congressman Traficant endeavored to persuade Allen Sinclair to testify falsely before the grand jury to

destroy -- and to destroy evidence. This came about when Sinclair went to the Congressman and told him, I've been subpoenaed and I've actually gone to the FBI and talked to them. Now, I've denied making kickbacks, I denied telling you anything, but I want you to know I have talked to the FBI.

Sinclair said the Congressman said, let's drive around. He said they drove around for hours, they switched cars; that the Congressman being a former sheriff, being a former investigator, did wiretaps, was very worried about being bugged, felt that the cars were bugged, felt that the office was bugged and was very worried. He stated that they finally went to Allen Sinclair's basement, and he said that the Congressman took cash out of a plastic bag and took the cash out of envelopes in piles, 50s and 100s, and put it in piles of dollars. Sinclair said he gave him \$16,000 that night and said, when the FBI asks you about your cash withdrawals, here's your explanation.

Now, significantly, the Congressman also told him that some of the cash came from John Cafaro. They burned the envelopes. They drove back to the office, and Congressman Traficant gave him another \$2,500 in more envelopes. Sinclair went back to his house, burned some more of the envelopes, but finally decided he couldn't do it, so he didn't burn all the envelopes. That was a rough night for him. He'll always remember that night because his stepfather had a heart attack that night.

Later he said he got another \$6,000 in cash from Congressman Traficant. He gave that cash to the FBI; there are photocopies of that cash in your hearing exhibits. It was shown to the jury. Hearing exhibit No. 50 is just one of the 17 burned envelopes. On those envelopes, Henry DiBlasio's former secretary, identified his handwriting on some of those envelopes saying "JT, personal."

Hearing exhibit No. 53 is an example of a letter from the Congressman to Allen Sinclair during that brief period in January and February 2000. Sinclair testified that the Congressman is in Washington most of the week and he didn't see the Congressman, but he kept coming into the office and there'd be notes; and the Congressman's -- exhibit No. 53 is an example of one of them, in Congressman Traficant's handwriting to Sinclair, saying, you did not give me any kickbacks.

Sinclair went to the FBI and told them what happened, and he told them that Traficant said that some of the money was from Cafaro. And that's significant because that's July 2000 -- excuse me, January 2000. In January 2000, USAG is still operating, Al Lange has not gone to the FBI yet and Cafaro had not gone to the

FBI yet and told them about the 13,000 in cash, and yet Allen Sinclair knew that cash had been given to the Congressman by Mr. Cafaro.

It wasn't just Mr. Sinclair who said that the Congressman pressured him not to tell the truth. Paul Marcone, former chief of staff, not testifying under immunity, not testifying with a plea agreement, said that the Congressman, while he was still employed with the Congressman in the year 2000, the Congressman told him that he wanted him to go to the grand jury and talk about DiBlasio. He said the Congressman tried to put words in my mouth. He said, we have to do it because we have to go on the offense.

The Congressman also called Marcone 2 weeks before he testified at trial, and again Paul Marcone, somebody who said, Congressman Traficant was my mentor, somebody who -- it's the most difficult thing in my life to testify against, tried to put words in my mouth.

Count number VII: The Investigative Subcommittee charged for a long period of time, from the late 1980s until early 2000, Congressman Traficant engaged in a different course of conduct which defrauded another group, not businessmen, not Allen Sinclair, but the U.S. government.

Sixteen witnesses testified for Count VII. They testified about three methods, three ways by which the Congressman defrauded the U.S. government. Kickbacks from his staff, Mr. Sinclair, Mr. DiBlasio and another district staff -- his district director, Charles O'Nesti, charged that each of them gave kickbacks and thus defrauded the Federal Government, that congressional staff worked on the Congressman's farm and that they worked on his boat.

In addition to the trial evidence, you do have the guilty plea and the plea transcript now of Henry DiBlasio stating that did he in fact give the kickbacks to the Congressman. You also -- the jury also heard the testimony of Mr. DiBlasio to Sinclair saying, I gave the kickbacks.

There's also the testimony of two former employees of the Congressman his former officer manager, Jackie Bobby. She testified that during the 1980s, long before an FBI investigation of the Congressman, that Mr. DiBlasio and Mr. O'Nesti both told her that they in fact had to give money back to the Congressman every month. O'Nesti said he wasn't happy having to do it. In fact, what he really resented was that he had to give the Congressman a kickback, yet he had to pay the tax for that kickback every month.

Jackie Bobby testified that when O'Nesti left the office, she wanted to take over his role as the district director and she sent him a letter, hearing exhibit No 62, asking the Congressman to take over O'Nesti's job. And she said, I'll even do everything that Henry O'Nesti did, but I want to talk to you about that. You can see that in the letter. What she wanted to talk to him about and she told the jury was, she did not want to give any kickbacks like O'Nesti had to do.

The Congressman's former secretary, Grace Yavorsky, testified that she also heard that kickbacks were given by DiBlasio.

There's also testimony by two individuals, Richard Jeren and Nicholas Chuirazzi. They both testified to the jury as follows: They both knew Henry DiBlasio. Henry DiBlasio owned the building where the Congressman's district office was, 11 Overhill Road, Boardman, Ohio. Jeren and Chuirazzi said that DiBlasio went -- or Jeren said, in early 1985 that DiBlasio went to him and said, you've got to buy this building from me. Jeren said, I don't have the funds, I can't buy a building. DiBlasio said, let's just put the building in your name; I have to have the building in your name.

Chuirazzi said the same thing happened in about 1992, that the building had to be put in his name because DiBlasio said, I cannot be seen as owning this building.

Marcone testified, as with Sinclair, that the Washington staff was very upset about Henry DiBlasio being the administrative assistant. If you look back on the chart, you see that DiBlasio was -- received the second highest salary in the office as the administrative assistant after Chief of Staff Marcone. Marcone testified that staff after staff after staff came to me and said, what does Henry DiBlasio do? He practices law, but we don't know what he does for the Congressman.

The next chief of staff, West Richards, testified to the same thing, that the staff was upset about DiBlasio, that he was getting paid for doing nothing and that Richards said, the Congressman told him to mind your own business, I'll take care of Henry DiBlasio.

Now, the chain of ownership for 11 Overhill Road is important. There are two exhibits that are not in your hearing exhibits, but were in the first set of notebooks that were given to you with the evidence brief that you received 2 weeks ago, and that were given to the Congressman. We just didn't make hearing exhibits of them. But they're government exhibits 1-11 and 1-12. And those are the deeds.

The first deed is from DiBlasio to Richard Jeren in January 1985, and the second is from Jeren to the Trumbull Land Company in 1992. And the Trumbull Land Company, Chuirazzi testified, is the shell company he formed to own the building.

Hearing exhibit 60 in your packet is the final chain of the transaction. It's the warranty and deed from the Trumbull Land Company to Kimberly Ann Sinclair in 1998.

Was the office building important? Well, you'll hear and the jury heard that in 1993 the Congressman's district office was transferred from Trumbull -- from Overhill Road to the new Youngstown courthouse. Everybody moved except Henry DiBlasio, the Congressman and one other worker. The testimony was that DiBlasio stayed in the district office and the Congressman stayed in the district office in Overhill and Sinclair stayed there because that's the only way Henry DiBlasio and Allen Sinclair could practice law at the same time as receiving a congressional salary. And they had to receive the congressional salary so they could afford to make the kickback to the Congressman.

So that's why those deeds are important and that's why it's important that you see why the Congressman kept two district offices one in Youngstown and one 5 miles away, again over the strong objection of his chief of staff, Paul Marcone. The evidence for that is hearing exhibit No. 56. You'll see that's a letter from Paul Marcone, the chief of staff, to Henry DiBlasio, the administrative assistant, dated December 7th, 1993.

You'll see in this memo Marcone said, if we move the Youngstown office entirely into the new Federal building and do not maintain any presence at the 11 Overhill office even then our expense account would be extremely strained. Maintaining a presence in the 11 Overhill office will further exasperate this problem, our clerk hire account to cover the anticipated shortfall in our expense account. That means the Congressman would be severely limited in backfilling positions and giving raises. Any assistance you could render me in giving -- in convincing the Congressman to not maintain a presence at 11 Overhill Road would be deeply appreciated. It will be extremely difficult for me to justify to the press and to the public the additional expenditures in taxpayer funds to have two district offices within 5 miles of each other. According to the House Finance Office, "such an arrangement is highly irregular," quote, unquote.

My other concern is that this could be used against Jim in further political campaigns and could pose a potential ethics problem.

That's from the chief of staff to the administrative assistant. And you know why that office was kept in Overhill.

The farm: George Bucella, a congressional employee, an employee who worked for Congressman Traficant for 15 years, testified that he worked at Congressman Traficant's farm between 100 and 300 times during that time period. He did all sorts of work at the Congressman's farm. And he felt he had to do it. He left the Congressman's employ in 1998, and he has not worked at the farm since.

Richard Drawback, a second congressional employee testified that he also worked for a period of about 18 months on a regular, almost daily, basis at the Congressman's farm. In fact, he did not even have an office, a desk at the district office because he never showed up.

A third employee of the Congressman, Anthony Traficanti, who was actually a witness for the defense, testified that he worked at the Congressman's farm during work hours and was not paid by the Congressman, was paid by the Federal Government.

Jackie Bobby, his former secretary, said Bucella, Rovnak and Traficanti all worked at the farm.

Betty Manente, a defense witness and a current employee of the Congressman, said that those three people worked at the farm on a regular basis.

The boat, the testimony was from three witnesses. West Richards, the former chief of staff, stated that one afternoon the Congressman told him to have the staff go work at his boat. Four or five staff members did do that one afternoon. A former staff member, Chris Whitehead, concurred that the staff did that. And Rovnak also testified that when he was in town he worked on the boat on a regular basis.

Counts VIII and IX are the income tax violations. There was testimony by an employee of the IRS that the Congressman failed to include more than \$75,000 worth of income in 1998 and 1999 on his tax returns. The income was the income from the kickbacks, the money from Cafaro, and the money from the other schemes.

Count X: Nine witnesses testified for the government regarding Count X. It's the overarching count. It deals with all the courses of conduct and also includes Count V, every count but the obstruction and the tax.

The Investigative Subcommittee felt that in addition to each count standing alone, the counts should be added to Count X to basically show that through the entire period of his congressional career, the Congressman was trading official acts for his personal benefit.

In addition to the other courses of contact in Count V, the gratuity, there is one set of additional evidence in Count X, and that is Peter Bucheit and Bucheit International. It's another course of conduct in which a businessman traded favors in exchange for official acts with the Congressman from 1990 to 1998. As Mr. Kellner stated, there are numerous official acts on behalf of Bucheit and Bucheit International.

In the evidence booklet, hearing exhibit 66 through 89, that includes 20 letters from Congressman Traficant to public officials in the United States and Saudi Arabia regarding Bucheit. There are letters to Vice President Gore, to Secretary of State Baker, Secretary of State Albright, Department of State officials, the Saudi ambassador, the King of Saudi Arabia, et cetera.

Things of value: Now Count X is the one count in which the actual businessman who made the agreement with the Congressman did not testify. Peter Bucheit did not testify because he's under indictment for giving gratuities to the Congressman. But there was testimony; there was testimony by Robert Gatti, a businessman who said that he was told by Peter Bucheit to have somebody go out and do work at the Congressman's farm. He told David Manevich to go out to the farm.

David Manevich testified, he said that he went out to the farm, started doing a little work on adding an addition to the back of the farmhouse and ended up spending many months at the farm and ended up doing \$26,000 worth of work at the farm.

Who asked him to do that? He said that the Congressman asked him to do that. The Congressman would be at the farm, and the Congressman would tell him to keep doing the additional work. Sandy Ferrante was mentioned. He said Sandy Ferrante lived at the farm, "she told us things to do." Manevich said we didn't listen to her. We only did additional work when the Congressman told to us do it.

Thomas Passewitz testified. He said he did about \$4,000 of electrical work, rewiring the addition to the farmhouse. In addition to their testimony, there was corroboration. Hearing exhibit 90 is a list of the payments from Bucheit to Manevich, totaling \$26,000. Hearing exhibit 91 is the checks from Manevich, the actual checks from Bucheit to Manevich backing up chart number 90.

Hearing exhibit 92, the invoices from Passewitz' testimony, Aey Electric to Bucheit; and hearing exhibit No. 93 are the checks from Bucheit International paying the electric bill.

The last witness was Leisel Bucheit, as the Congressman said, the daughter of Peter Bucheit. She did state that they billed Congressman Traficant, they billed him for \$26,000 and that they received no payment between 1993 and 1996 for that. If it was a loan, if it was money that Bucheit owed to the Congressman, I direct your attention to hearing exhibits 95 and 96, which are the Congressman's financial disclosure statements for those years. If he owed Peter Bucheit \$26,000, why were they not listed on his financial disclosure statements for those years?

Mr. Hefley, I will only say that the Congressman testified this morning about this trial. We are not here about this trial, but it was a public proceeding, and the transcripts of the trial are on the committee's Web site. And I invite the public and anybody to read the transcripts and to see if the Congressman was treated fairly or not at that trial.

It was not just the government; it was 29 witnesses that the Congressman was allowed to have. But right now we're just talking about the government's evidence. And Mr. Kellner and I would be glad to take questions from the panel, or recess and take questions from the panel.

We're at your disposal, Mr. Chairman.

The Chairman. Mr. Lewis, you're through with your summary of the evidence?

Mr. Lewis. Yes, Mr. Chairman.

The Chairman. Does any member of the panel have areas that they would like further clarification on that they would like to ask questions?

Mr. Traficant. Mr. Chairman, I would like to take a break to go to the bathroom, 5 minutes.

The Chairman. The committee will stand in recess for 15 minutes.

[Recess.]

RPTS STUART

DCMN ROSEN

. The Chairman. The committee will come back to order. We were in the process of asking committee members if they have questions to clarify from Mr. Lewis and Mr. Kelner.

Mrs. Biggert, did you indicate that you had a question?

Mrs. Biggert. Yes.

Thank you, Mr. Chairman. I do have a question for counsel. Mr. Traficant said in his opening statement that the testimony of the witnesses called by the prosecution was all hearsay brought by people under jeopardy, prosecution themselves.

Yet, it seems to me that the evidence that you just went over, that a good many of the witnesses who testified were not involved in plea agreements or other investigations. For instance, Wes Richards and George Bucella, Jackie Bobby and Richard Rovnak and Robert Gatti and Allen Lang.

Could you just respond to that?

Mr. Lewis. Thank you, ma'am. Tony Bucci testified pursuant to a plea agreement. John Cafaro had a plea agreement. David Sugar had a plea agreement.

The following witnesses also had -- and Sinclair had a plea agreement. The following witnesses had immunity. Mr. Bucci also had immunity. Al Lang had immunity. A witness for the defendant, Greg Tyson had immunity. Jackie Bobby had immunity. Grace Yavorsky had immunity. George Bucella had immunity, and Wes Richards had immunity.

So several of the Congressman's former employees did have immunity. But the majority of the 55 government witnesses did not testify with a plea agreement or independent immunity and would not be subject to legal jeopardy.

Mrs. Biggert. So with that corroboration were most all of the counts there were -- there was testimony that nobody had a plea agreement or had immunity to corroborate those that had that?

Mr. Lewis. That would be correct, ma'am. It is fair to say that for Count I, Count II, Count III and Counts IV and IV, the lead government witness either had a plea agreement or did have immunity.

Mrs. Biggert. Okay. Then I had just one other question. I think it was in Count I, with the Buccis. Was there ever a determination who was the owner or who operated the prime contractors?

Mr. Lewis. Cheryl Bucci was the owner on paper. She was the legal owner. However, the testimony of Anthony Bucci was that my brothers and I operated the company, and that Cheryl was a -- Cheryl did not have control.

Mrs. Biggert. All right. Thank you. Those are the questions I have. Thank you, Mr. Chairman.

The Chairman. Mr. Hulshof.

Mr. Hulshof. Thank you, Mr. Chairman. Mr. Lewis, I have a couple of questions in reference to Counts IV and V dealing with Allen Sinclair. You have indicated and you displayed for us the summary of Congressional salaries and the blow-up which I think -- I am not sure what our exhibit number is, but that in 1999, Mr. Sinclair was an official staffperson on the Congressional district payroll to the tune of \$60,169.40 per annum.

In your interview or in review of the transcripts, did Mr. Sinclair ever do any official work for the 17th Congressional District in Ohio?

Mr. Lewis. Yes, he did. He testified that he did do some work for an economic development project for the Congressman. And initially he started working out full-time, but he said towards the end, and he didn't give a time period, but he said at the end I was working maybe about 20 hours a week on Congressional time.

Mr. Hulshof. He maintained his practice of law during the same period of time, or did he put that practice of law in abeyance during his time as a Congressional staffer?

Mr. Lewis. He maintained a full law practice during that period of time.

Mr. Hulshof. The other question I have of clarification is Exhibit 54 that you provided for us. If you could turn to it if you need to. This purports to be from Mr. Traficant to Mr. Sinclair. A single page with certain exculpatory statements. But the thing that I have a question about, and I will wait until you get there, number 54.

Mr. Lewis. Yes, sir.

Mr. Hulshof. I am having difficulty reading part of it. But it would be what I would characterize at the top one-third, the second paragraph. And I will paraphrase as I can read it. If I am about to stop -- if I am about to stop back Sunday night I will. I want to go over something -- John Valley case. Is that -- am I reading correctly, because again, this is a photocopy? Is your copy any better?

Mr. Lewis. That is what it appears to be. However, he did read what the actual statement was into the trial transcript. So if you wanted to go to the transcript, you could see what Sinclair said. But I don't believe that relates to the obstruction of justice.

Mr. Hulshof. That is what I wanted to clarify again. Is this something that was the part of the -- those Congressional duties that he did perform?

Mr. Lewis. Yes. This was a series of -- Sinclair testified this is a letter from the Congressman about several ongoing projects that he was working on. Then at the end, he talked about the grand jury testimony.

Mr. Hulshof. Okay. Can you make out the latter two sentences in that paragraph, to go over the John Valley case, apparently some issues, hyphen, and then I can't read that next line.

Mr. Lewis. Bucheit International.

Mr. Hulshof. Okay.

Mr. Lewis. Which is the businessmen that we have been discussing, Peter Bucheit.

Mr. Hulshof. Thank you. Mr. Chairman, that is all that I had.

The Chairman. Mr. Berman.

Mr. Berman. Thank you, Mr. Chairman. I would just like to ask Mr. Lewis one clarifying question. You made reference in your presentation to Mr. Traficant's financial disclosure forms as an exhibit at trial as evidence with respect to the issue of whether or not the money was a loan or simply given to him.

Mr. Lewis. Yes, sir.

Mr. Berman. Just to make it clear, the subcommittee is not alleging violation of the law that imposed the financial disclosure obligations, as I understand it, this was simply for evidence on the question of whether or not that was a loan?

Mr. Lewis. That is correct, Mr. Berman. There is no charge regarding the financial disclosure statement.

Mr. Berman. That was in part because the subcommittee decided, and indicated so in their letter of transmittal, that it was sticking closely to the issues developed and charged for which there were convictions at trial, and not looking at or investigating other issues that might have arisen which were tangential to those issues?

Mr. Lewis. That is correct, Mr. Berman.

Mr. Berman. Thank you.

The Chairman. Mr. LaTourette.

Mr. LaTourette. Thank you very, much Mr. Chairman. I have some questions on Count II, first of all. In your presentation, Count II dealt with Mr. Sugar. It is my understanding from reviewing the transcript over the weekend, that aside from the check for \$1,142 that you talked about in your presentation that Mr. Traficant gave to Mr. Sugar, he also transferred a bed and a piano. The piano had an appraised value of between 5 and \$5,500. I just wanted to be -- do you know when the piano was delivered?

Because, I made a note in my notes that it was delivered to Mr. Sugar by Mr. Traficant before any work was done at the farm.

Mr. Lewis. It was before additional work was done at the farm. There was a racketeering -- the 10th count in the trial was RICO. And there were I believe 11 racketeering acts. There was a racketeering act involving Mr. Sugar involving additional official acts and additional things of value that Mr. Sugar did for Mr. Traficant in 2000 that the jury found Mr. Traficant did not commit.

So the Investigative Subcommittee, in drafting Count II, did not charge the Congressman for violation of any House rule involving the 2000 official acts. So I believe the additional work that you referred to in your review of the transcript was the work for the Congressman that Mr. Sugar did in the year 2000. Count II deals with April 1999.

Mr. LaTourette. Thank you. Count Number III. Mr. Cafaro, it is my understanding Mr. Marcone, when he testified, indicated that he had sought an opinion from this committee, the Committee on Standards, indicating that he had a fellow, or the office had a fellow who there were engaged in constituent service for, who wanted to buy the Congressman's boat. And do you remember that in the transcript?

Mr. Lewis. I remember reading that in the transcript, yes.

Mr. LaTourette. And if I listened to Mr. Marcone's testimony correctly, he was told back by the Ethics Committee that if someone paid him fair market value, that would not be a problem. Do you recall that as well?

Mr. Lewis. Yes.

Mr. LaTourette. Is there anywhere within the transcript that I could find what the boat was worth?

Mr. Lewis. Mr. Marcone testified that he called the bank and was told that the amount of money that was due on the mortgage was approximately \$26,000. There was also a survey done for Mr. Lang that said the boat was between, I believe, 30 and \$36,000. If it were in good condition, but that it was not in good condition.

Mr. LaTourette. So the answer to my question I guess is there is no -- aside from those two references, we don't know what the fair market value of the boat was?

Mr. Lewis. Those are the only two references I am aware of.

Mr. LaTourette. Also in Count III there is discussion of three cars that were transferred by Mr. Cafaro to the respondent, and an indication that the respondent paid \$7,000 for them.

Mr. Lewis. Yes.

Mr. LaTourette. And am I incorrect that Mr. Cafaro testified that that was, in fact, the fair market value of those three automobiles?

Mr. Lewis. My understanding of his testimony was that the three cars were two Avantis and a Jeep. An Avanti convertible and a four-door that were both worth -- I believe he said one was worth \$54,000 and one was worth, I might be wrong here, 40,000. And they were loaned to the Congressman, given to the Congressman to drive around to promote the company and never given back.

He stated that they were the only ones not given back. The Jeep was a Jeep owned by his family. It was a beat up Jeep. He said it wasn't worth that much money, but that the Congressman needed it. They gave it to him and he never gave it back.

Cafaro actually said he felt that he had loaned those cars to the Congressman, and they were really of no value. The 7,000 was given to him after -- when the Congressman said I am under investigation, they are out to get me, I have got to give you something for this, and actually after a new report in the local papers about the cars, the Congressman came back to Mr. Cafaro and gave him another 3,000 and said we need to make it look better.

So there is no direct testimony as to the cars. He said that they were worth a lot of money at one time. But Cafaro said the cars really didn't mean that much to him. But the subcommittee felt that it was important that a Congressman was given three cars and not charged for the use of two of them for 10 years.

But, it would be hard to put a price on them. But the Congressman did pay 10,000.

Mr. LaTourette. Lastly, in Counts IV and V, Mr. Sinclair. There was -- the subcommittee has just indicated that one of the respondent's witnesses may testify tomorrow, a guy named Robertson or Richardson or -- Robertson, I think. During the course of the trial he testified to a variety of bank accounts that Mr. Sinclair had under his possession. And what is unclear to me is that I thought I had understood him to say that although Sinclair would take his paycheck of about \$3,300, put it in the bank, take out \$2,500 in cash, the allegation made by the Government is that the \$2,500 in cash wound up with the respondent.

But, I understood Mr. Robertson's testimony to be that he had an interest-bearing trust account required of all lawyers conducting business in the state of Ohio, and that \$2,500 a month was going into that account. In the notes prepared by the counsel for the committee, I have indicated -- it says that there is nothing to that thesis.

So could you explain to us why you reached the conclusion that there is nothing to that thesis?

Mr. Lewis. Robertson did testify as a defense witness and did testify that in addition to the personal bank account that the government put up on the chart, that Mr. Sinclair had -- between he and his wife, they had at least four accounts. There is testimony that in addition to his law practice, Sinclair had a vending business of some sort, a cash vending business and received money from that.

So that the thesis of Mr. Robertson was that he had access to a lot of cash, number 1, through the vending business. Number 2. He stated that into the interest bearing accounts, there were -- at the same time period that Sinclair was cashing -- was getting \$2,500 in cash from his personal account, he was depositing \$2,500 into the law account.

He was cross-examined by the prosecutor who said, well, the first three examples of deposits of \$2,500 are checks. So it is not, in fact, \$2,500 of cash, it is checks. And I believe committee counsel was quoting the prosecution's closing argument that the testimony Mr. Robertson didn't make sense then when he is equating checks and cash.

And then Mr. Robertson also admitted that he hadn't finished his analysis, he hadn't even looked at the five accounts. He had identified five accounts, but he hadn't looked at them, and he had not completed his

analysis, and that he could not dispute the government analysis. But there was more out there that he could have done, and he didn't have time to do it.

Mr. LaTourette. Thank you very much. Thank you, Mr. Chairman.

The Chairman. Mr. Pastor.

Mr. Pastor. Thank you, Mr. Chairman. I just -- I go to Count VII.

Mr. Lewis. Yes, sir.

Mr. Pastor. I am going to relate it to the evidence you have, 50 and 51, Exhibits 50 and 51. And on page 38 of Count VII, you basically say that it is very difficult to get fingerprints, very difficult to get any direct evidence that would link, I guess Mr. Traficant, Congressman Traficant with this.

So how was the linkage or what was -- how were they linked?

Mr. Lewis. To the cash or the envelopes?

Mr. Pastor. Well, you have the envelopes and you also have pictures of the cash.

Mr. Lewis. Allen Sinclair testified that the Congressman gave him the envelopes and gave him the cash.

The link is Allen Sinclair.

Mr. Pastor. But, the envelopes themselves and the plastic bags that are filled with money, there was no direct evidence.

Mr. Lewis. Other than --

Mr. Pastor. That the FBI could find.

Mr. Lewis. Mr. DiBlasio's former secretary testified that the handwriting on some of the envelopes said JT personal, and she identified that as DiBlasio's handwriting.

Mr. Pastor. But there was no direct linkage.

Mr. Lewis. Other than the testimony of Allen Sinclair. Allen Sinclair said that the Congressman gave it to me. And I would just remind you that in addition to being a Congressman, he is a former sheriff who knew he was under investigation.

And the FBI agent said, we didn't expect that we would get fingerprints from a former sheriff.

Mr. Pastor. Thank you.

Mr. Lewis. The prosecutor argued that. I don't believe the agent said that.

The Chairman. Any further questions? Mr. Berman.

Mr. Berman. Thank you, Mr. Chairman. And going back to the subject raised by Mr. LaTourette. At trial, Mr. Robertson speaking with respect to the Sinclair deposit-withdrawal practices. At the end of this testimony, do you recall how he characterized his testimony?

Mr. Lewis. Robertson?

Mr. Berman. Yes.

Mr. Lewis. The very end of his testimony, the cross-examination by the prosecution, he said is it possible, with looking at what you have seen, that Sinclair could be making kickbacks? And Robertson said yes.

Mr. Berman. Thank you, Mr. Chairman.

The Chairman. Yes, Mr. LaTourette.

Mr. LaTourette. The only thing, there was some discussion in the transcript about who the farm belonged to in Poland, Ohio. Is there -- in the record who is the titled owner? Who was the titled owner at the time of the acts complained of in the SAV?

Mr. Lewis. It went back and forth. At one time during the time period from 1986 to 2000, it was Patricia Traficant, the spouse of the Congressman. Then it was actually deeded to the Congressman's father. But, if you look at the trial transcript, every witness said, the Congressman is the one that told us to do the work. The Congressman had dominion and control.

If you recall, I stated that Mr. Manevich who did the \$26,000 work said, we didn't listen to Sandy Ferrante, we only listened to the Congressman because we knew it was his place. Witness after witness after witness said it was the Congressman's farm.

Mr. LaTourette. Thank you. If I could just follow up on that for one second.

The Chairman. Yes.

Mr. LaTourette. That specifically goes to the financial disclosure form, however, that I was talking about. If a contractor comes in and performs work on a piece of property that is owned by someone and eventually isn't paid, I suppose a mechanics lien can be filed against that property. That flows as a debt to the owner of record, not to somebody that is directing the work; is that is right or not?

Mr. Lewis. That would be true, Yes.

Mr. LaTourette. Thank you.

Mr. Lewis. I would say the SAV charges that the farm is owned by Traficant or members of his family.

Mrs. Jones. Mr. Chairman, I don't have any questions right now. But I would like to reserve the right to ask some at some subsequent time.

The Chairman. So noted. Mr. Traficant, it is time for you to begin to put on your case.

Do you have any of your witnesses here present in the hearing room, except yourself?

Mr. Traficant. No.

The Chairman. Are you prepared to testify at this time?

Mr. Traficant. They will not be here until 1:00 tomorrow p.m. as you have instructed.

The Chairman. If you are -- what you are about to do is testify, would you raise your right hand and let me swear you at this point.

[Witness sworn.]

The Chairman. You may proceed.

Mr. Traficant. Well, number 1, there is a couple of things fresh on the mind.

The Chairman. Mr. Traficant, I am sorry to interrupt you. Let me just say, I indicated earlier that we were going to follow the District Court procedure, and you have been through it where you would ask the questions and then you would answer the questions. That seems very contrived to me. And I think if it is okay with you, I mean, you are welcome to do it that way if you want.

But, otherwise why don't you just testify. Now, you may be interrupted with objections along the line. But you are familiar with that. So, and remember that you are under the time limits that we specified earlier.

But, you may proceed as you would like now.

Mr. Traficant. Thank you. Before I get started, while it is fresh in our mind, counsel did give you some misrepresentations. Big time. Al Lang took the skipper course to navigate a 37-foot fly-bridge aft-cabin motor yacht.

Number 2, I found out now that there was a demand note for Mr. Cafaro for Al Lang for the money advanced for the repairs on that boat. Number 3. It was not in good condition to be worth 32,000. I read now from what is evidence, Defense Exhibit AL-101. The basis of the survey, BUC Research material, and

my own experience in other offerings by area workers believe the fair market of this vessel to be between 30,000 and \$35,000 as is. As is.

And between 38 and \$42,000 dollars with repairs and corrections completed. I will get back to the boat except to say this. Cafaro lied when he said that Detore brought me the check for 26,000. J.J. Cafaro brought in a book, and when I opened it, he was so pleased with the \$4 million appropriation to save his company because I believed in the laser technology.

When I opened it, like a book marker was the \$26,000 certified draft. And I said J.J. I don't want this. You don't want this boat. He lied when he said Detore brought me that check. And I said Al Lang wants that boat. Al Lang took a skippers course to operate that boat.

Now, if the sale was \$26,000, one thing to come out at the trial, there were cash transactions that went from Cafaro to Lang, but nobody ever showed it went into the boat. And they spent \$26,000 and sunk my boat. My boat is basically worthless.

So you have misrepresented to this committee the "as is" value of that boat at the time they started the repair. And upon its completion, figured it to be between 42 and 48,000, which would indicate a 12 to \$14,000 need to bring that boat up to the standards that it was.

Keep in mind, it was a classic 1970 wooden Egg Harbor, and once restored as a classic, would be worth over \$125,000.

The Chairman. Mr. Traficant, let me remind you that -- address the committee rather than the counsel there when you are addressing.

Mr. Traficant. I want to make sure the counsel knows that.

Now, let's get back to Bucci. Count 1. Bucci's partner, Joe Satarelle, said at the trial that he wouldn't believe Tony Bucci if Tony Bucci said his name was Tony Bucci.

Susan Bucci, his sister-in-law, gave you an affidavit. I am going to try and find it here while I go on. She said Tony Bucci and his crew destroyed the Traficant barn, and that the Bucci brothers owed Traficant money and Tony Bucci was a flat-out liar, that actually took care of her husband, before he died, to their bank account and took a lot of her money.

Sandy Ferrante can testify, and Harry Manganaro can testify, and Manganaro did testify, that he showed up when the barn was tilted, and that bank barn, imagine this is the bank barn and here is where you drive

into the second floor. They had to remove the concrete too close and this caved in and this section of the barn collapsed, tilting this way ready to fall, completely destroying that barn, costing more than \$15,000 for my father to fix that barn.

I never owned that barn at any time during these deliberations. And I was under investigation, according to affidavits of Jim Kerchum when I walked out of the 1983 trial, because I beat them. The other thing about Bucci, did I write those letters? Yes. He had employees. They were my constituents.

Dominic Paolone testified at the halfway house that Tony Bucci was complaining that he couldn't get Traficant to help him in a problem he had at the halfway house. And Dominic Paolone said, look, I couldn't get help from Traficant unless I have a member of the family call him. That is his policy. He had one of his brothers call. He called his brother, Dan. His brother Dan had Robert sent a letter and I talked to that company. I talked to the halfway house for him.

But, keep in mind, when a Federal prisoner is kept in a halfway house, Chairman, they pay a per diem to that community. Now, that money was either going to go to North Carolina or, in the case of David Sugar, was going to go out of State into, I think, Pennsylvania, or was going to come to my district where my people were employed.

I have helped hundreds of people. It is amazing to me, contrary to what again has been said by counsel in a question asked intelligently by Congressman Biggert. Every important significant witness that is the cause of my conviction was subject to jeopardy and harm: Jail, loss of license or their family involved in an indictment, period.

Tony Bucci saying that this \$12,000 that was owed and he was going to own a Congressman was a joke. Many of the people that come out and testify, if you look very carefully through it, they said that they dropped out some slag, or they did a ditch. Tony Bucci was a hustler. Tony Bucci and I were not friends. He went into business with the Greg Tyson and Tony Satarelle. Greg Tyson was given immunity by the government, and Greg Tyson, a black contractor, would not be a front man for Tony Bucci and testified on my behalf, and said that I took his part in the problems with Tony Bucci.

Tony Bucci lied through his teeth. Count II. Sugar. David Sugar's father and mine were good friends. Young Dave and I were friends. David actually started doing some work at the farm before all of this happened. His son had a DUI. I have helped many people, not to get them out of jail, but to get them

moved to halfway houses, or get them moved into a position where they could work, get treatment rather than incarceration, and be reincorporated back into the community, reintroduced.

In the matter of Sugar, here is the bottom line. When this broke in the papers, Sugar had already done work for Jim Traficant. Sugar was concerned because of the high profile that he went back and backdated an invoice to Jim Traficant. There was supposed to be no payment until he completed his work. He owns his own gravel pit and sand pit. He is a very good friend. Mr. LaTourette basically asked the question, Mr. Sugar admitted that he filed on both of his tax returns payments by me. The concrete that was used, I paid TC Ready Mix. TC Ready Mix came out and said the Congressman paid us for the concrete and all he did was pour the concrete.

I gave Sugar no money. Here is what happened to David Sugar. And you have Harry Manganaro's consent tape transcript. Manganaro said after the second visit from the FBI, David Sugar was in a state of distress. Now, if you are familiar with the law, an individual in a state of uttered excitement is eligible for the hearsay exception.

Harry Manganaro, contrary to these 29 witnesses, the nine important witnesses I had were voir dired outside of the presence of the jury, which would have rebutted this testimony and not allowed it to be presented to the jury. Manganaro was one of them. What Manganaro testified to, though, is he appeared at the farm when the Bucci problem caused the barn to fall, and advised me to jack that northwest corner up, and helped me put two temporary restrainers in there. Then my father had to build a retaining wall of some hundred feet around the front of the barn, reinforce the bank barn and put a side wall on it.

But, David Sugar, after the second FBI visit, confided in friend, Harry Manganaro. Manganaro came to me unsolicited to my house on Saturday before this trial started and the next day, Sunday, in my office at 8:35, gave me a consent tape.

Manganaro said he loved Sugar, he didn't want to get him in trouble. But he said he feels bad for what is happening to you. I feel bad what is happening to you, Jim. He said the FBI came to him and they were going to charge him with backdating an invoice because he told them evidently the grand jury did not back date an invoice, and they tricked his secretary, and his secretary didn't know, and said he backdated an invoice.

They threatened him that they were going to involve his wife and his son in this process with Traficant. And Manganaro said he felt bad, but Sugar went with the government's script and said he did these favors for Traficant.

Well, let me tell you what the piano was that Mr. LaTourette had referred to. In 1856, there were two, two hand-made Steinway pianos based --

Mr. Lewis. I object. The piano is -- the Investigative Subcommittee is not charging the piano as a thing of value.

Mr. Traficant. No. But it is a matter of relevance to the veracity of the witnesses that have been brought against me, and the types of things that were in fact -- had to be removed because of the absolute absurdity that even the jury had to see.

The Chairman. I am going to overrule the objection, Mr. Lewis.

Mr. Traficant. Thank you. This 1856 -- there were only two of them made, handmade in New York City. He had it evaluated between 5,500 and 6,500. Actually, he got \$8,000 and reported it over 2 years on his income tax. David Sugar had no choice, as did many people in this case, but to try and protect his wife and his son. And I don't blame him one bit.

Contrary to Bucci, who was on his fourth plea agreement to bring his brother back from Cuba who fled the country on a fugitive agreement, who now I hear is in Florida, and is going to get off scott-free as well.

Mr. Lewis. I object to what the Congressman hears.

Mr. Traficant. That was said at trial. Read the transcript.

The Chairman. Objection sustained.

Mr. Traficant. The transcript reflects that I asked Anthony Bucci if he and his attorney had entered in negotiation with the Department of Justice on the return of his brother. And he said, yes, they did.

Mr. Lewis. That I don't object to. I object to the statement that "now I hear."

Mr. Traficant. Well, anyway, the Manganaro tape, you can read it for yourself. It came to me unsolicited. Regular, working guy. Loved David Sugar. Likes me. And didn't want to see me get screwed.

Count III. I am trying to figure through all of these. There is so much of Bucci, you know, you are going to own Jim Traficant. Quite frankly, his own family didn't like him. As far as all of that business

with ODOT and Mosquito Lake Park. When I found out the true situation, I believe that the one fellow admitted that I apologized to him and told him to go ahead and stop the work stoppage.

Do I call and did I call government agencies for my people? In a heartbeat. If they needed help, I was right there. And I don't know what other members do. But I surely was aggressive and to help them. If it meant jobs in my district, I was out front. Did I help the Buccis? Yes. Did I like Anthony Bucci? Couldn't stand him. Did I like his brother Dan? A very good friend. We go cycling together. Had the farm across the street from my dad.

Read Susan Bucci's affidavit. I brush-hogged 40 acres of their land every year with my own equipment and bale 25 acres of alfalfa every year of his third cutting.

And Dan helped me get sawdust and took some of that sawdust himself. And one time my baler broke with about an acre of ground to bale and Dan came over with his equipment and baled it.

Now, what was this? Count Number II. You will have to forgive me. Count Number is Cafaro. This here -- this here is a joke. And I hope that the counselors would pay attention. Cafaro stated, number 1, he gave me \$13,000 cash. He said he gave it to me at Youngstown State University. Waited for everyone to leave, and when there were all out, he said, Jim and I walked out to the car, got in the car, drove around the car, and he took the envelope that had the money in it.

Attorney Percy Squires, chief clerk to Chief Judge Tom Landros, Northern District now retired, I asked Percy, my good friend, to be a character witness. He came up and said, what do you want me as a character witness? I know about the Bucci matter, because I handled Greg Tyson, who was a government witness with immunity, who was a black contractor. And he said, I handled, and I walked you out of the YSU building and saw you get in a green truck.

Brian Kidwell testified that he picked me up on Phelps Street in the green truck. First he said he was late and walked me out. Cafaro testified that he lied during former Maloney County Sheriff Chance's RICO trial.

But then he adds, I didn't perjure myself. His testimony was that the mobster didn't give Mr. Chance the money, he gave him the money. And one of the prosecutors actually said to me, well, you can't lie on the stand without perjuring yourself. And his name was Bernard Smith.

Now, let's talk about United States Aerospace Group, laser technology. Saves lives. Every guardrail is 100 percent funded is my legislation. Every truck stop turn off is my legislation, a 100 percent of the trust fund. I was known on Transportation for highway safety and aviation safety.

Cafaro gave hundreds of thousands of dollars in Democrat National Committee, Republican National Committee. They gave \$10,000 to Patrick Kennedy's birthday party.

Mr. Lewis. Objection, relevance.

Mr. Traficant. I am just telling you.

Mr. Lewis. What is the relevance?

Mr. Traficant. They give big money. The bottom line is, they came to their Congressman because they needed help and no one could help them. I did --

The Chairman. The objection will be sustained.

Mr. Traficant. I went over to the appropriators on the strength of the evaluation, as witnessed by Jane Garvey, as witnessed by Chairman Duncan, and displayed the merits and safety of the laser technology. And if you didn't know what that is, then we will take a second.

Doesn't cost the airlines a bit. That is a box about 4-by-4 that is set on the runway. Now, that Arkansas flight that ended in a disaster basically overshot the runway, then hit a light pole and killed the people.

The laser technology works as follows. If you are too far right you see a red light. If you are too far left, you see a green light. When you see the amber light you go right at it. When Jimmy Duncan, Chairman Duncan, had his son in that plane in Manassas, that wind was blowing and the visibility was less than 5 miles. I was scared in that plane.

Richard Detore flew that plane and showed and demonstrated the different colors and then went right in that amber and landed that craft exactly where that plane was supposed to be landed. I believed in it. The deal I had with Cafaro was this: I want that factory that makes them and to cold cap those lights, that are not like incandescent lights that in fact blur vision, and I want the jobs to make these laser technology.

And once they are settled in place, they would move their headquarters from Manassas to Youngstown. He was so tickled pink he brought me in unsolicited a check for \$26,000 and then lied on the stand and said it was Detore that brought it in.

Now, I find out that Cafaro asked Lang to sign a demand note for the money advanced on the purchase of the boat. This is a scam. What is the demand note for? Al Lang's attorney, Jay Harney advised him against it. Now, they said they put \$26,000 in the boat. And they said it was only 50 percent done. The reason it was 50 percent done is it slipped off the mooring and they sunk it and have to pickle the engines.

Now, if the water level raised to the level of where the engines had to be pickled, according to the testimony offered at the trial -- does this come out of my time? Boy, you guys have it easy without me.

The bottom line is, this headache has been \$26,000, all cash. The government never gave one accounting of what of this \$26,000 went into that boat. And I had a boat valued at 32,000 to 38,000 before they started that is now damn near worthless because they sunk it. I should be suing this creep.

Now, let's talk about the cars. It is known as DD-4, I don't know if I even submitted it for evidence here. But when Richard Detore and I testified before the Subcommittee of Aviation in front of Chairman Duncan, I wrote him a note. And this note says, tell J.J. \$10,000 is okay. I will get money from the credit union when he gets me the titles. Get the titles.

And he promised the parts for two Avantis. They don't run. And I accept "as-is" on all three. My name. Get titles. Richard Detore testified to this. They said at trial they were production cars. The one Avanti was made from used cars, even the body, even the chassis, the frame was a used frame.

DCMN MAYER

The other one never did run. I drove it three times, so people could see it in Washington. He didn't even want it back. I stored it at a friend's. The FBI wanted to take it, and the guy wanted \$35,000 for storage.

J.J. Cafaro sold the whole company for a dollar, with all of their parts and almost completely built cars. And if something happens with it, he would get a percentage of it. The cars were no issue. The cash was a complete lie. And there was no favors done for U.S. Aerospace. The only thing I did is, I tried to get those jobs for my district, and quite frankly, tried to keep people from dying on aircrafts. That is my job. I don't apologize for advocacy for my people.

Now, they are talking to you about four or five of those people. There was a couple of hundred of these cases that I did. But they all have one common thread to run through them.

I now found out that they are holding Cafaro with \$330,000 --

Mr. Lewis. Objection.

Mr. Traficant. -- to the IRS.

The Chairman. State your objection.

Mr. Traficant. -- which was not disclosed to me at trial.

Mr. Lewis. He is stating things that there is no basis for in the record. He is just stating that he has heard.

Mr. Traficant. The committee could ask the government for this. What is why I am bringing it up.

Mr. Lewis. That is not part of our case, Congressman.

He is going way off tangent.

Mr. Traficant. I object to that. I think you have gotten in nothing but hearsay. I am telling you that it has come to my --

Mr. Lewis. I have been given testimony, under oath, by 55 witnesses, Congressman. You are talking about, someone told you something.

The Chairman. Mr. Traficant, I don't believe this is relevant to what we are talking about.

Mr. Traficant. Well, the bottom line is this --

The Chairman. Just a moment. The objection is sustained.

Mr. Trafficant. Fine.

Dennis Johnson, a member of my staff, he was not allowed to testify. He submitted an affidavit.

Mr. Lewis. Objection. He testified.

Mr. Trafficant. Not about Cafaro. He testified about O'Nesti. I object to these objections if you are not factual.

Dennis Johnson was only allowed to testify about what Chuck O'Nesti told him, not about Cafaro.

Mr. Lewis. I withdraw.

Now that you have stated that, that is correct; but your initial statement was, he was not allowed to testify.

Mr. Trafficant. I'd appreciate that you not interrupt me again.

Mr. Lewis. I will object when it is relevant, Congressman.

Mr. Trafficant. Now, Dennis Johnson testified under voir dire that I want those titles. And he was in a restaurant called the Crystals Restaurant on Belmont Avenue in the north side of Youngstown. He was with a man named Billy Coleman, who also testified. And, lo and behold, they saw J.J. Cafaro in the back. When J.J. Cafaro was leaving, he unexpectedly walked up to Denny Johnson, and he asked Denny to step outside.

Denny said they walked outside a little bit down the driveway, and Cafaro turned around and said, look, I didn't do anything illegal with your boss. They are after me for my testimony in a previous trial; they are pressuring me.

And Dennis Johnson said, and you see his affidavit, I am not here to talk to you about that. I have called you several times. I want the titles. And he said, Cafaro was absolutely shocked, his mouth dropped.

That was never brought in. He was one of the voir-dired witnesses. Manganaro was voir-dired on the Sugar incident and was not allowed to testify. Brother-in-law to James Sabatine testified that Sabatine lied, voir-dired and was not allowed to be brought before the jury.

Now, there was absolutely no illegal activity whatsoever with Cafaro. Cafaro was under investigation for perjury in the Champs trial, and was threatening to bring his daughter in as president of U.S. Aerospace. Bottom line.

Count IV, Sinclair: Something very unusual here. He said he thought the first deal was a loan. And then he found out, my God, they were kickbacks. I want you to look at the 302 of the FBI on January 24th with Mr. Sinclair. I am going to read it for you.

Sinclair was asked why DiBlasio did not have the building at 11 Overhill in his own name, which counsel kept talking about, 11 Overhill. Quite frankly, I rented from him. And I don't know who owned them. I am under the impression they checked with the Ethics Committee. These are attorneys, and they know what they are doing. The government rent went to whomever was the listed owner.

Now, the prosecution now has stated part of the problems that both of them had, number one, Sinclair, and why Sinclair is the current owner of that building. And the counsel said Sinclair was the owner. I find that interesting.

And staff member of Congressman James Traficant also did not have this building in his own name. Sinclair advised him it would have been a conflict for DiBlasio to have the building in his name when he worked for Traficant. The same issue came up when Sinclair was going to buy the building from DiBlasio. And he, Sinclair, was also working as a congressional staff member. Sinclair advised this was cleared through the United States House of Representatives Ethics Committee. Now, that is what he told the FBI.

Now, you are the Ethics Committee. You can certainly check that, couldn't you? And it was acceptable for DiBlasio and Sinclair to own the building as long as they charged the government a reasonable rent.

Sinclair was then asked, why then was -- the building had to be in the name of other people? Sinclair did not answer this question. Then they say, Sinclair advised he made between \$50- and \$60,000 per year as a private attorney in 1999, and at the same time made about \$60,000 a year on congressional staff.

Be advised, the records also show that he did about 5 years of volunteer work in that office. He wasn't just a guy that came in overnight, Johnny-come-lately. And it also come out in that trial that he put together the entire State package for an economic revitalization plan subject to Ohio Revised Code that was an extensive bit of work, and that if it was stated out and marketed out to a private attorney would have cost the valley probably several hundred thousand dollars for the hours put into it.

Sinclair's job for Traficant was to research legislation and others. He was not Traficant's private attorney. Sinclair advised that he had researched the rules, and it was legal for him to receive outside income while working for Congress because he was not, quote, unquote, "a senior staff."

Neither was DiBlasio. DiBlasio was there 15 years and ended up at \$87,000. What are the COLAs every year? What do you start an attorney at full time?

Sinclair advised me he did not kick back any part of his salary to Traficant. Sinclair stated he did not want to be part of, quote, unquote, "getting Traficant." At the end of the interview, Sinclair was advised that he may have to testify before the Federal grand jury.

January 31st, he entered an agreement. Now, here is what the government showed us and here is what the prosecution has showed us about Sinclair. First of all, I don't know how your figures add up. But during the time he said he started to work for me, and 6 months after he left, he purchased a \$300,000 house. He brought a brand-new Buick van. He rented a brand-new car at \$300 a month, and admitted to \$60,000 worth of attorney media advertising. Had a mortgage with a Delaware bank at \$276,000.

But the key was that he opened up two accounts. The government showed us one, one account for Sinclair, where he took \$2,500 a month out for 12 months, whatever.

The same period of time, regardless of how they said they did it, they offered no witnesses to show that they paid them any checks; \$2,500 went into -- and Mr. LaTourette asked -- into an IOLTA account. After he left the employ of Congressman Traficant for 22 straight months, no money was put into the IOLTA account. The last day before the trial, and at 5:00 in the morning, before Mike Robertson was able to look at it, a Secret Service agent who handled the fraudulent money investigations, we found out Mr. Sinclair had five bank accounts, three of them joint accounts with his wife, the big one, KAS Enterprises.

In December of 1998 -- you have this -- he opens it up with Home Savings & Loan, President Sinclair. That might have been November. In December of 1998, he opens it up again, President Sinclair, Secretary Kimberly Ann Sinclair.

The secretary of state lists KAS Enterprises as like a limited partnership and listed Kimberly Ann Sinclair as the agent. Page 2 of the document you have in front of you, which is evidence, clearly states that either/or, with or without the consent of each other, could take the rent money to come from the United States Government for rent of 11 Overhill Road and use it for themselves.

Allen Sinclair was already suspended for 1 year, and would have lost his law license. Told me out in the parking lot they were threatening to involve his wife because of that KAS and her signing the lease. And the next thing you know, he gives that kickback. But now you have before you an FBI document.

And when the news broke in the summer, there was a murder scheme, there was a \$150,000 barn, and there were fingerprints, latent fingerprints. Naturally, I know they have no latent fingerprints on me. I immediately move with a motion to quash. They have 1,000 documents, envelopes, manila envelopes, plastic bags, currency; and Jim Traficant has a one-of-a-kind right index finger that is scarred, and I am right-handed.

The only FBI agent they brought to the stand was a rookie; and when the judge came to that, quite frankly, she was like a fox smiling in the henhouse. She said, well, since we have a motion, we will dismiss the jury. She dismissed the jury, and the FBI agent said, not one print. Not one.

On plastic bags that hold water. Manila envelopes that will damn near hold water. Hard envelopes. White envelopes. Currency. Not one print. Now, as Robertson says, there is no prints.

The jury pool heard about prints, murders and the \$150,000 barn, but here is the key. Sinclair agrees to tape an attorney for the government. Testimony came out that Sinclair's office was like this.

Mr. Lewis. I object to the relevance.

The Chairman. State the relevance, Mr. Traficant.

Mr. Traficant. The relevance is, there was testimony offered that he stated that he said that he couldn't tape me, that I was a touchy-feely guy.

I am trying to show you how it was so easy to tape me.

Mr. Lewis. The fact that he taped another person and he is afraid to tape the Congressman is --

Mr. Traficant. I would like to proceed. I think it is worthy. It was brought out in the trial. It is in the transcript.

Mr. Lewis. The committee counsel stipulates that there are no fingerprints of the Congressman, and that he was not taped.

Mr. Traficant. There is now about corroboration. It speaks to --

The Chairman. Overrule the objection. We are going to allow some leeway here.

Mr. Traficant. His desk was sort of like this. You could only get around it through here. He sat back here. Testimony by all staff said that I had coffee with him in the morning, and I would sit over here.

The testimony of Sinclair said that I was touchy-feely; he was afraid of me.

RPTS O'ROURKE

DCMN BURRELL

[5:20 p.m.]

Mr. Traficant. Testimony said -- Bernard Smith said that the head of the FBI's task force said Traficant is just too smart. We better not or he'll catch us. Ladies and gentlemen of the Congress, you got a very serious charge here. As Mike Robertson said, he wouldn't take a drug dealer to court on this for a \$500 cash transaction. Do you want a confession. That would be ideal wouldn't it. But certainly you want an admission.

Now here is what they have. They got an envelope, an envelope, fresh envelope, supposedly with \$6,000 in it, hand delivered, supposedly Sinclair's, and allegedly immediately taken to the FBI and then sent to the lab. Now I ask you really some common sense questions. People involved in felonious have dry hands or wet hands? This wasn't toilet tissue. So of course it could not hold the support of print. But it was the ideal time to make their case. Why didn't they make it?

Mr. Lewis. Because it is not relevant. We are not charging fingerprints. It is not relevant.

Mr. Traficant. You are interrupting me.

The Chairman. Are you objecting, Mr. Lewis?

Mr. Lewis. Yes.

The Chairman. Objection sustained.

Mr. Traficant. No wiretaps.

Mr. Lewis. Objection, relevance.

Mr. Traficant. It is in the transcript.

Mr. Lewis. We have not charged him with any wiretaps.

Mr. Traficant. It speaks to the veracity of the witness's testimony in my defense.

The Chairman. I am going to give leeway on that. Overruled.

Mr. Traficant. No prints. You believe this, then you will believe anything. No hidden microphones by anybody. And the Kerchum affidavit says they will build a monument if they get him on Traficant. The bottom line is you have hearsay uncorroborated and Robertson will address that tomorrow. DiBlasio, O'Nesti -- witnesses will address tomorrow to show they saw me repay loans to both.

Tax returns, 1998 and 1999. When the IRS agent left the stand after being crossed by me he walked into the bench right with his crotch. His testimony said he did no investigation at all. All he did was add up the numbers given to him by the investigators. Fact, the government offered no FBI investigator in my case. The only man they brought was Bushner, who took money to the labs to have it examined for prints -- a rookie. The other one was Hess, 30-year veteran from Philadelphia, flew into Cleveland seven times, stayed almost 40 days, cost the taxpayers a quarter of a million dollars and said he did no investigation. Not one IRS investigator came in. But what we do know is George Hooker testified that 12 years ago I bought a horse from him and they wanted to know what the transaction was. So it is evident that if Trafficant is drinking five gallons of cash a month in 15 years, the government would have brought one witness to say Trafficant bought something for cash, which I didn't. I don't buy by cash.

Now I don't know if this is on the record, but I want to show you the total amount of earnings from my stock portfolio for the year 2003, \$4. I have a thrift account down here in Washington. That is it. I do not even have a savings account at the bank, neither does my wife. Now they have gone back 15 years looking for cash transactions. They didn't find one person where I expended cash.

My God, we are talking about circumstantial evidence only on hearsay in a RICO case. Linda Kovachik was not allowed to testify. She was voir dired where Chuck O'Nesti told her he did not kick back money to Trafficant. Chuck O'Nesti told Mike Terlecky, who now the IRS is going after for 140,000, who was a disabled retired deputy sheriff, they say he now owes 140,000. He calls me this week, because he said he had a happenstance meeting with O'Nesti several months before he died and there was a headline in the front page and O'Nesti said, look at what they are doing to the guy. They said, well, they're saying you gave him money. I didn't give them money. Now what he told Denny Johnson was he came looking for Denny Johnson in a bar on the west side of Youngstown. He found out he was there. He came in. He took Denny Johnson and backed him into a corner. Denny testified. She let Denny testify. She let Terlecky testify because Terlecky has a former felony conviction and Johnson had a pending problem on a driving incident. Kovachik was free and clear. She didn't allow Kovachik under the same circumstances to testify. He said that O'Nesti was almost incoherent and was upset that Jim wasn't coming to see him. And he says tell Jim to come and see me. He said Denny, I didn't do anything illegal with Jim and they want to put me in the Army. Now if you see a 302 by the Federal Government they went almost 2 weeks when this man is

on his death bed rotting from cancer with a fruit basket ploy. And they even said -- they said it loud enough that they don't want the U.S. attorneys to hear -- you will have the 302 because they don't want to have him go to an Army medical facility. The man wants to die at home. He's 2 weeks from death. They run a tape and then they stop the tape. They come back and want him to sign an affidavit. Didn't you give Traficant kickbacks? His son said if you gave it to him, dad, sign it. He says no and he didn't sign at this time.

Mr. Lewis. And the government didn't introduce it into evidence. It is not relevant. It is not in evidence.

The Chairman. You are objecting because it is not relevant?

Mr. Traficant. They accepted hearsay testimony from Jackie Bobby and Grace Yavorsky on kickbacks to O'Nesti.

Mr. Lewis. I'm objecting to the statement that you say the government tried to introduce that Mr. O'Nesti denied making kickbacks. The government never introduced Mr. O'Nesti's statements, so your comments are irrelevant.

Mr. Traficant. There is a 302 that's in there that I have in discovery and you can make your own determination.

Mr. Lewis. The government didn't charge you with it and we haven't charged you with it, so it is not relevant.

Mr. Traficant. Why did you bring up the issue of kickbacks to O'Nesti?

The Chairman. The objection is sustained.

Mr. Traficant. I object to that. He brought up hearsay testimony that there were kickbacks made from O'Nesti by someone who is allowed to make hearsay testimony; namely, Jackie Bobby.

Mr. Lewis. That wasn't hearsay. She testified at trial under oath. Your former secretary, Congressman. It is not hearsay.

Mr. Traficant. Let's read her letter because you're saying she wouldn't make kickbacks. JT00711 March 18, 1998, Dear Chairman, if I don't ask I will never know. I handled the majority of Chuck's responsibilities as District Director. My reputation and credibility are impeccable. I have had total responsibility for your campaign with no complaints. I donate many, many hours to the campaign. I think

you should give me the position of District Director and a salary increase because you can justify it and I deserve it. I will fulfill any obligation Chuck had. Let's talk about this one. I will fulfill any obligation Chuck had. He had no obligations. And she didn't get the job. And I hired another woman and spread that job over three people, and they did not like the woman I hired and that came out in the courtroom. They hated her guts and they both quit. There is a \$3,000 cashier check to Henry DiBlasio when he broke up his office from the credit union that I wrote to purchase his furniture. Still owe some money. And now after he took this plea agreement he will have to spend \$250,000, he can sue me.

Second of all, handwriting, Defense exhibit D-14, I am willing to sell you all the furniture in my office which cost me more than \$12,000. Handmade desk, handmade credenza, leather desk chairs, two arm chairs, leather couch, et cetera, et cetera, microwave in the kitchen. Please let me know, 5,500. Now the one that sickens me is on Sinclair.

The Chairman. Mr. Traficant, do you want to move that into evidence?

Mr. Traficant. I want to move it right now exhibit D-14. And I want to move JT007111 the letter from Jacqueline Bobby, and I want to introduce the cashier's check on Henry DiBlasio for \$3,000 from the credit union. It is not marked, so I will mark it be BS-2002.

Mr. Lewis. No objection. The Bobby statement is already in evidence, however.

(Traficant exhibits No. D-14, JT-007111, and BS-2002

identified.)

The Chairman. They will be admitted into evidence.

Mr. Traficant. On or about the time this hit the news, Sinclair came to me and said his business was being destroyed. He testified in court that I asked him to draft me a lawsuit to sue the government. That was a lie. Allen Sinclair came to me with a lawsuit and didn't even have my correct address on it. And I offer it as S-12, because my name was underneath his name on the sign and he was getting bad press, wanted me to sue them for \$100 million. Ladies and gentlemen, after all the prosecutorial misconduct I used this thing that Sinclair wrote up, it was good, and filed a civil lawsuit that was thrown out after I was indicted. I offer S-12 in evidence.

Mr. Lewis. No objection.

The Chairman. It will be admitted.

(Traficant exhibit No. S -12 identified.)

Mr. Traficant. I offer the Vote survey.

Mr. Lewis. It's already in evidence.

Mr. Traficant. Let me see it.

Mr. Lewis. We gave it to you.

Mr. Traficant. I offer now into evidence a letter very clearly marked relative to DiBlasio, marked D-4.

(Traficant exhibit No. D-4 identified.)

The Chairman. What does that letter do, Mr. Traficant?

Mr. Traficant. January 24, 2000, to Jim Traficant. I will read it for the record. How are you, Mr. Green?

The Chairman. Let the record show that Mr. Green has arrived and we did make a statement early on, Mr. Green, as to why you were absent in the early part of the day.

Mr. Traficant. I ask unanimous consent that Mr. Green's absence not be held against him because he is known for it.

Dear Jim, on November 1, '99 I reached my 70th birthday. As you know, I retired for good on January 2, '99 after practicing law for almost 47 years.

By the way, DiBlasio was a heavy target. He had testified in the 1983 trial of Jim Traficant, also, after having been one of your staff members for 14 years.

My relationship with you is the most rewarding experience in my life. Found the work interesting and profoundly exciting. I was able to do something good for our community. All those people that said Henry DiBlasio didn't work was a lie. He was a low key delegator and he was brilliant. It took me the most part of last year to try and relax and enjoy my life without the workaholic tendencies I had for my adult life. The arrival of our gorgeous granddaughter certainly helped me be able to sit back and start smelling the roses. A most disconcerting event took place on Thursday, January 13, 2000. I thought that I should call it to your attention because you appear to be the, quote, main target and I was obviously contacted in their attempt to coerce me to agree to certain allegations that are absolutely not true. The following is what happened. On Thursday morning at about 8:30 a.m. someone called me to the downstairs phone. I live in a

high rise condominium in Florida. I was informed that I should let them in because they had to talk to me about you. He would not tell me what it was all about at this point. I felt coerced and compelled to let them come up to our apartment, and I did. Three gentlemen came in and showed me their credentials and gave me their cards. Two of them were real bruisers, or maybe I should say big. The two FBI persons were Percunos of Youngstown and Stall of Youngstown. The other fellow was Charles Perkins, Special Agent for IRS, criminal investigation. At this point I really felt intimidated. They made it clear they were out to find information that could or would be used against you. In fact they made it clear that if I admitted what they brought up they would protect me. In my age and in poor health condition I am surprised I did not collapse. They said others in your office have now said certain things about me that violated Federal laws. I was absolutely astonished. By the way, they never read me my rights but just kept on pressing me to admit to things that I not only did not do, but I could never have thought of doing.

This is a guy who has just reached a plea agreement because I was convicted on 10 counts.

They said they had evidence of my not working enough to justify being paid. They said I should have filed a disclosure statement each year as required. They said I gave you back some rental that had been paid for your space. They said I gave you part of what I received for my pay. And they said I earned more money while I was on your staff. In general they said I was in violation of many laws and that if I admitted to them so they could get you they could protect me. Jim, as you know, I am not a criminal lawyer. I was absolutely puzzled and certainly felt intimidated. I have never been accused of violating the law or even violating ethics as a lawyer. I really ponder on whether I should contact you because I know how busy you are and how many things are on your mind at all times. But the other day I really received a shock. A local FBI agent called me and informed me that the Youngstown fellow had asked to serve a subpoena on me. We finally got together on January 20, 2000. To my continued amazement the subpoena requested that I appear in Cleveland on February 1, 2000 to testify regarding John Doe. Of course I know they are referring to you as John Doe. First of all they didn't give me much notice. I live in Florida and I am retired. Why should I pay my expenses to travel to Cleveland in the winter? I have had to hire legal counsel to protect myself. How can the government do this and get away with it? Jim, I certainly did deny that I violated any laws anywhere. The office building, as you know, was transferred out of my name when I discovered during your organization that I could not keep the building in my name. I was informed by the appropriate

congressional committee that I would not have to be the one who was designated to report my assets. Also, I do not see how I could have shared my pay with you or anyone. Also, I know I don't have to tell you what I did and how many hours of work on your staff. This is nonsense. Wish all this would go away. As a lawyer of many years I should know best. Since I have known you, I know your intellect and judgment would surpass anyone I have ever met and I mean that. Just doesn't seem fair that I can be intimidated, coerced and whatever else during the retirement years of my life. I hope it is not some desperate political maneuver on someone's part. If it is, I shall really lose faith in our system. I am very sorry that I am discombobulated with my lawyers to try and ease my discomfort a bit but also felt compelled to let you know what is happening. Please let me know if you have some words of comfort and maybe some advice. I am confused and agitated.

I offer D-4 as evidence. The point I want to make is at some point the attorney says --

Mr. Lewis. No objection.

Mr. Traficant. -- Traficant solicited the letter. Does that sound like I have solicited the letter?

The Chairman. It will be admitted. You have used two of your 5 hours. You can use up to an hour in summary if you want, and that would leave you 2 more hours. But you can use any of those 3 hours as you want, but you do have to do your witnesses and if you want to get any affidavits before us that you haven't done, we are going to be --

Mr. Traficant. Only have three witnesses. Those three witnesses come out of my 5 hours?

The Chairman. Yes, they do, as part of putting your case on. That was very clear in the beginning.

Mr. Traficant. It was?

The Chairman. And in the letters that you received. Mr. Traficant, you continue to try to make this an unfair situation. I think we are bending over backwards to make it as fair as we possibly can.

Mr. Traficant. I want to apologize if you got that impression, but I didn't realize that the witnesses would be subject to the 5 hours as well. If they are --

The Chairman. Let me clarify that, the witnesses and your questioning of those witnesses will be subject to the 5 hours. Our questioning of those witnesses will not. So we will try to do that. And let me just say this we are going to adjourn pretty soon because we are going to have votes. So if you want to get some more things in before we do adjourn tonight that you want to get in tonight, let's do that.

Mr. Traficant. I have a memo dated October 24, 1998 relative to the purchase of his furniture. Put that into evidence. Although you have the handwritten notes -- you also have that.

Mr. Lewis. No objection.

Mr. Traficant. I want to put in the \$4 total amount of corporate money I received.

The Chairman. Mr. Traficant, the press is having trouble hearing you, particularly when you lower your voice. I think they didn't have any trouble during part of the testimony. But as you walk away from the microphone there, they're having trouble hearing you.

Mr. Traficant. This memo is D-15. The Bank of New York, sum of \$4, total amount of money I earned is G-10. I want to place into evidence the 302.

(Traficant exhibits No. D-15 and G-10 identified.)

Mr. Lewis. No objection.

The Chairman. Will be admitted.

Mr. Traficant. -- the 302 of Sinclair dated 1/24/2000 and said he had no problem getting Jim Traficant.

Mr. Lewis. No objection.

The Chairman. Will be admitted.

Mr. Traficant. I want to show Defense exhibit HAD-0017 parentheses (A), which shows the withdrawal from the credit union of \$3,000 and being made payable to DiBlasio as well as the check that was submitted earlier.

(Traficant exhibit No. HAD-0017 identified.)

Mr. Lewis. Who is withdrawing the money?

Mr. Traficant. Came from my Congressional Credit Union account, \$3,000 and the cashier's check is also there.

Mr. Lewis. No objection.

Mr. Traficant. I also want to submit from James J. Harney when he was interviewed by the FBI Defendant's exhibit here marked L on 3/21/2000 on all, specifically page 3 --

The Chairman. Mr. Traficant, Mr. Harney is going to be called. Do you want to wait and ask him about that before --

Mr. Traficant. Is Harney going to be called?

The Chairman. You are going to call him, I assume. He is one of the witnesses we approved.

Mr. Traficant. I am looking to see the affidavits I have. An affidavit by Mike Robertson even though he is going to testify. An affidavit by Susan Bucci, Brian Kidwell, Michael Antonoff, and I will have to find them for you, Mr. Chairman. How much time do I have left? I can put these in evidence another time and get my --

The Chairman. Why don't we do that then? We will do that in the morning.

Mr. Traficant. How much time do I have left total?

The Chairman. Almost 3 hours left.

Mr. Traficant. I would like the Supreme Court of Ohio decision relative to Sinclair and his sanctions and suspensions. That is Defense exhibit C.

(Traficant exhibit C identified.)

Mr. Lewis. No objection.

Mr. Traficant. I would like --

The Chairman. Be admitted.

Mr. Traficant. -- breakdown of Sinclair's IOLTA, Defendant's Exhibit D.

(Traficant exhibit D identified.)

Mr. Lewis. I would like to see those first. I haven't been given those.

Mr. Traficant. I would like to introduce as evidence the FBI report saying there were no prints at all, JD-1007, a copy of the forensic lab report.

(Traficant exhibit JD-1007 identified.)

Mr. Lewis. I have no objection to that. As far as exhibit D --

The Chairman. That will be admitted.

Mr. Lewis. I don't know what this is. There is no basis for it. There is nothing that says it is by Robertson. I think it should be subject to the testimony of Robertson. It is just a sheet of paper with figures on it.

The Chairman. Hold that one in abeyance. We hope Mr. Robertson will testify tomorrow.

Mr. Traficant. I will give the rest of my submissions tomorrow, Mr. Chairman.

The Chairman. The committee will stand in recess until tomorrow morning at 10 :00.

Mr. Pastor.

Mr. Pastor. Mr. Traficant talked about some tapes that he wanted to have admitted. You made that motion. Did we move on that motion?

Mr. Traficant. Mr. Chairman, I have and will bring to the committee all the tapes and transcripts of same that I will ask to be admitted and give you ample time to review them if you wish.

The Chairman. The committee will stand in recess until 10 o'clock tomorrow morning.

[Whereupon, at 5:45 p.m., the committee was adjourned.]