Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

OFFICE OF CONGRESSIONAL ETHICS UNITED STATES HOUSE OF REPRESENTATIVES

REPORT

Review No. 14-8751

The Board of the Office of Congressional Ethics ("the Board"), by a vote of no less than four members on May 29, 2014, adopted the following report and ordered it to be transmitted to the Committee on Ethics of the United States House of Representatives ("the Committee").

SUBJECT: Representative Bobby L. Rush

NATURE OF THE ALLEGED VIOLATION: Representative Bobby Rush's state and federal campaign committees may have accepted in-kind contributions, in the form of free office rental space, in violation of Illinois state law, House rules, and federal law. By accepting these contributions, Representative Rush may have accepted gifts or special favors in violation of House rules and standards of conduct. Representative Rush's congressional campaign committee ("Citizens for Rush") may have also made donations to the Beloved Community Christian Church ("the Church") in violation of House rules and federal law.

RECOMMENDATION: The Board recommends that the Committee further review the above allegation concerning Representative Rush's office rental space because there is a substantial reason to believe that Representative Rush's state and federal campaign committees accepted inkind contributions in violation of Illinois state law, House rules, and federal law.

The Board recommends that the Committee further review the above allegation concerning Representative Rush's office rental space because there is a substantial reason to believe that Representative Rush accepted impermissible gifts or special favors in violation of House rules and standards of conduct.

The Board also recommends that the Committee dismiss the above allegation concerning Citizens for Rush's donations to the Church because there is not a substantial reason to believe a violation of House rules, standards of conduct, or federal law occurred.

VOTES IN THE AFFIRMATIVE: 6

VOTES IN THE NEGATIVE: 0

ABSTENTIONS: 0

MEMBER OF THE BOARD OR STAFF DESIGNATED TO PRESENT THIS REPORT TO THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT: Omar S. Ashmawy, Staff Director & Chief Counsel.

FINDINGS OF FACT AND CITATIONS TO LAW

Review No. 14-8751

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OFFICE OF CONGRESSIONAL ETHICS UNITED STATES HOUSE OF REPRESENTATIVES

FINDINGS OF FACT AND CITATIONS TO LAW

Review No. 14-8751

On May 29, 2014, the Board of the Office of Congressional Ethics ("the Board") adopted the following findings of fact and accompanying citations to law, regulations, rules and standards of conduct (in italics).

The Board notes that these findings do not constitute a determination of whether or not a violation actually occurred.

I. INTRODUCTION

A. Summary of Allegations

- 1. Representative Bobby Rush's state and federal campaign committees may have accepted in-kind contributions, in the form of free office rental space, in violation of Illinois state law, House rules and federal law. By accepting these contributions, Representative Rush may have accepted gifts or special favors in violation of House rules and standards of conduct. Representative Rush's congressional campaign committee ("Citizens for Rush") may have also made donations to the Beloved Community Christian Church ("the Church") in violation of House rules and federal law.
- 2. The Board recommends that the Committee further review the above allegation concerning Representative Rush's office rental space because there is a substantial reason to believe that Representative Rush's state and federal campaign committees accepted inkind contributions in violation of Illinois state law, federal law, and House rules.
- 3. The Board recommends that the Committee further review the above allegation concerning Representative Rush's office rental space because there is a substantial reason to believe that Representative Rush accepted impermissible gifts or special favors in violation of House rules and standards of conduct.
- 4. The Board also recommends that the Committee dismiss the above allegation concerning Citizens for Rush's donations to the Church because there is not a substantial reason to believe a violation of House rules, standards of conduct, or federal law occurred.

B. Jurisdiction Statement

5. The allegations that were the subject of this review concern Representative Bobby L. Rush, a Member of the United States House of Representatives from the 1st District of Illinois. The Resolution the United States House of Representatives adopted creating the Office of Congressional Ethics ("OCE") directs that, "[n]o review shall be undertaken… by the board of any alleged violation that occurred before the date of adoption of this

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resolution."¹ The House adopted this Resolution on March 11, 2008. Because the conduct under review occurred after March 11, 2008, review by the Board is in accordance with the Resolution.

C. Procedural History

- 6. The OCE received a written request for preliminary review in this matter signed by at least two members of the Board on January 28, 2014. The preliminary review commenced on January 29, 2014.² The preliminary review was scheduled to end on February 27, 2014.
- 7. At least three members of the Board voted to initiate a second-phase review in this matter on February 27, 2014. The second-phase review commenced on February 28, 2014. The second-phase review was scheduled to end on April 13, 2014.
- 8. The Board voted to extend the 45-day second-phase review by an additional 14 days on March 28, 2014, as provided for under the Resolution. Following the extension, the second-phase review was scheduled to end on April 27, 2014.
- 9. Pursuant to Rule 9(B) of the OCE Rules for the Conduct of Investigations, Representative Rush made a statement to the Board on May 29, 2014.
- 10. The Board voted to refer the matter to the Committee and adopted these findings on May 29, 2014.
- 11. The report and its findings in this matter were transmitted to the Committee on June 10, 2014.

D. Summary of Investigative Activity

- 12. The OCE requested documentary and in some cases testimonial information from the following sources:
 - (1) Representative Bobby L. Rush;
 - (2) The Campaign Treasurer for Citizens for Rush and Friends of Bobby Rush ("Campaign Treasurer");
 - (3) The Citizens for Rush Campaign Volunteer ("Campaign Volunteer");
 - (4) The Church;

¹ H. Res 895, 110th Cong. §1(e) (2008) (as amended).

² A preliminary review is "requested" in writing by members of the Board of the OCE. The request for a preliminary review is received by the OCE on a date certain. According to H. Res. 895 of the 110th Congress (hereafter "the Resolution"), the timeframe for conducting a preliminary review is 30 days from the date of receipt of the Board's request.

³ According to the Resolution, the Board must vote on whether to conduct a second-phase review in a matter before the expiration of the thirty-day preliminary review. If the Board votes for a second-phase, the second-phase begins when the preliminary review ends. The second-phase review does not begin on the date of the Board vote.

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- (5) Angelique Chatman;
- (6) The Head Trustee of the Church;
- (7) A Church Core Group Member;
- (8) Representative Rush's Son;
- (9) Representative Rush's Brother;
- (10) The Beloved Community Family Wellness Center ("BCFWC");
- (11) The BCFWC Executive Director;
- (12) A BCFWC Board Member;
- (13) Beloved Community Family Services ("BCFS");
- (14) Draper & Kramer, Inc.; and
- (15) The Draper & Kramer Property Manager.
- 13. The OCE requested information from Angelique Chatman, Representative Rush's niece and Church administrative assistant, but Ms. Chatman failed to provide the information to the OCE. Ms. Chatman was determined to be a non-cooperating witness.

II. REPRESENTATIVE RUSH'S OFFICE RENTAL SPACE IN CHICAGO

A. Applicable Law, Rules, and Standards of Conduct

In-Kind Contributions

- 14. 11 C.F.R. § 100.52(a) states: "A gift, subscription, loan (except for a loan made in accordance with 11 CFR 100.72 and 100.73), advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office is a contribution."
- 15. 11 C.F.R. § 100.52(d)(1) states: "For purposes of this section, the term anything of value includes all in-kind contributions. Unless specifically exempted under 11 CFR part 100, subpart C, the provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services is a contribution. Examples of such goods or services include, but are not limited to: Securities, facilities, equipment, supplies, personnel, advertising services, membership lists, and mailing lists. If goods or services are provided at less than the usual and normal charge, the amount of the in-kind contribution is the difference between the usual and normal charge for the goods or services at the time of the contribution and the amount charged the political committee."

- 16. 11 C.F.R. § 110.1(e) states: "Contributions by partnerships. A contribution by a partnership shall be attributed to the partnership and to each partner—
 - (1) In direct proportion to his or her share of the partnership profits, according to instructions which shall be provided by the partnership to the political committee or candidate; or
 - (2) By agreement of the partners, as long as—
 - (i) Only the profits of the partners to whom the contribution is attributed are reduced (or losses increased), and
 - (ii) These partners' profits are reduced (or losses increased) in proportion to the contribution attributed to each of them.

A contribution by a partnership shall not exceed the limitations on contributions in 11 CFR 110.1 (b), (c), and (d). No portion of such contribution may be made from the profits of a corporation that is a partner."

- 17. The Federal Election Commission contribution limits for 2007-2008, 2009-2010, 2011-2012, and 2013-2014 are \$4,600, \$4,800, \$5,000, and \$5,200 per election, respectively.⁵
- 18. 2 U.S.C. § 434(b)(3)(A) states, "Under this section each report shall disclose the identification of each—

person (other than a political committee) who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of \$200 within the calendar year "

- 19. Illinois Elections Code, Article 9⁶, section 9-8.5 states: "Limitations on campaign contributions.
 - (a) It is unlawful for a political committee to accept contributions except as provided in this Section.
 - (b) During an election cycle, a candidate political committee may not accept contributions with an aggregate value over the following: (i) $$5,000^7$ from any individual, (ii) $10,000$ from any corporation, labor organization, or association,$

⁴ 2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures "in connection with any election to any political office" and any candidate "knowingly to accept or receive any contribution prohibited by this section."

⁵ See 2 U.S.C §§ 441a(a)(1)(A), (c).

⁶ The Article took effect on January 1, 2011.

⁷ On January 1 of each odd-numbered year, the State Board of Elections is required to adjust the amounts of the contribution limitations. In 2013, the limits for contributions from individuals and corporations were raised to \$5,300 and \$10,500, respectively.

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or (iii) \$50,000 from a candidate political committee or political action committee."8

- 16. Illinois Elections Code, Article 9, section 9-10 states:
 - "(b) Every political committee shall file quarterly reports of campaign contributions, expenditures, and independent expenditures...
 - (c) A political committee shall file a report of any contribution of \$1,000 or more electronically with the Board within 5 business days after receipt of the contribution "
- 20. The House Ethics Manual states: "Moreover, under these rules, a Member or employee must take reasonable steps to ensure that any outside organization over which he or she exercises control including the individual's own authorized campaign committee or, for example, a 'leadership PAC' operates in compliance with applicable law."

Gifts

- 21. House Rule 25, clause 5 (a)(1)(A)(i) states that "A Member, Delegate, Resident Commissioner, officer, or employee of the House may not knowingly accept a gift except as provided in this clause."
- 22. House Rule 25, clause 5 (a)(1)(B)(i) states that "A Member, Delegate, Resident Commissioner, officer, or employee of the House may accept a gift (other than cash or cash equivalent) not prohibited by subdivision (A)(ii) that the Member, Delegate, Resident Commissioner, officer, or employee reasonably and in good faith believes to have a value of less than \$50 and a cumulative value from one source during a calendar year of less than \$100."
- 23. House Rule 25, clause 5 (a)(2)(A) states that "In this clause the term 'gift' means a gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value."
- 24. House Rule 25, clause (a)(3) states that "The restrictions in subparagraph (1) do not apply to the following:
 - (B) A contribution, as defined in section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) that is lawfully made under that Act, a lawful contribution for election to a State or local government office, or attendance at

⁸ The Illinois State Board of Elections defines in-kind contributions as "anything of value, other than cash, donated to the political committee. Generally speaking, it will be goods or services provided to the committee free of charge – such as a friend who provides campaign printing at no charge or a real estate agent who provides campaign office space rent-free." http://www.elections.il.gov/downloads/campaigndisclosure/pdf/campdiscguide.pdf.

⁹ House Ethics Manual (2008) at 123.

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a fundraising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986. "¹⁰

Special Favors or Benefits

- 25. In the Matter of Representative Charles B. Rangel, an adjudicatory subcommittee from the Committee on Ethics found that a "landlord's tolerance of Representative Rangel's use of an apartment... in violation of terms of the lease... was a favor or benefit to Representative Rangel, which may be construed by reasonable persons as influencing the performance of his governmental duties." ¹¹
- 26. The Code of Ethics for Government Service, clause 5 states that a Member should "[n]ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept, for himself or herself or for family members, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of governmental duties."

B. Representative Rush Has Been a Tenant at 3361 S. Martin Luther King Drive, Unit C-6, Chicago, Illinois Since 1989

- 27. In 1989, Representative Rush moved into an office space located at 3361 S. Martin Luther King Drive, Unit C-6, Chicago, Illinois while he was an Alderman on the Chicago City Council. Representative Rush stated that he conducted city business out of the office space from 1989 until 1993 when he was sworn in as a Member of Congress. He has maintained occupancy in the space continuously since 1989.
- 28. During that time as an Alderman, Representative Rush used the space as a "service office" but did not conduct any Aldermanic campaign business there. ¹⁵ Rent was paid by the City of Chicago under the terms of the lease, which was approved by the Chicago Corporation Counsel. ¹⁶ Draper & Kramer, Inc. corroborated that rent had been collected at some point during the tenancy. ¹⁷ Representative Rush signed the lease but did not recall the terms of the document. ¹⁸

¹⁰ House Rule 25, clause (a)(3) (emphasis added).

¹¹ In the Matter of Representative Charles B. Rangel, H. Rep. 111-661, 111th Cong., 2d Sess. (Nov. 29, 2010) at 11-12. Although a factual distinction exists in that the OCE found no evidence that Representative Rush had any official communications with Lake Meadows Associates or Draper & Kramer, Inc. during his tenancy, in In the Matter of Representative Charles B. Rangel, the Committee nevertheless focused on several facts present in this review: namely, that Representative Rangel was treated differently than other tenants and that Representative Rangel did not conform to the requirements of the lease and was still permitted by the landlord to reside in the apartment.

12 Transcript of Interview of Bobby Rush, May 7, 2014 ("Rep. Rush Transcript") (Exhibit 1 at 14-8751_0036); Copy

of Lease, Aug. 4, 1989 (Exhibit 2 at 14-8751_0081).

Rep. Rush Transcript (Exhibit 1 at 14-8751_0033).

¹⁴ Id. at 14-8751_0038; Response from the Draper & Kramer Property Manager (Exhibit 3 at 14-8751_0106).

¹⁵ Rep. Rush Transcript (Exhibit 1 at 14-8751_0033).

¹⁶ *Id.* at 14-8751 0037, 55.

¹⁷ Response from the Draper & Kramer Property Manager (Exhibit 3 at 14-8751 0106).

¹⁸ Rep. Rush Transcript (Exhibit 1 at 14-8751 0036).

a. The Lease

29. As shown below, the lease was executed on August 4, 1989 between "Lake Meadows Associates" as landlord, and "Bobby Rush, an individual" as tenant. Lake Meadows Associates is an Illinois limited partnership and a "portfolio property" of Draper & Kramer, Inc., an Illinois corporation. Representative Rush told the OCE that "notwithstanding what's on this lease," he believed Draper & Kramer, Inc. to be the landlord, although not a landlord in the "typical sense."

LAKE MEADOWS

LEASE

This Lease, made this 4th day of August, 1989 by and between LAKE MEADOWS ASSOCIATES, an Illinois limited partnership (hereinatter referred to as "Landlord"), and <u>Robby Rush</u>, an <u>Indiv</u>idual (hereinatter referred to as "Tenant").

In consideration of the rent to be paid and the covenants to be performed by Temant, the Landlord hereby demises and feases to the Temant and Temant hereby leases from Landlord, certain premises in Lake Meadows Shopping Center, in Chicago, tillinols (the "Shopping Center,") upon the terms and conditions hereinafter contained. The Shopping Center consists of the land and all improvements located at the northeast corner of 35th Street and Martin Luther King, Jr. Drive, Chicago, tilinols, and is tegally described as follows:

30. The basic terms of the 1989 agreement for unit C-6 call for a one year lease with a fixed minimum rent of \$627.00 per month.²³ In addition to that figure, the tenant was also responsible for a \$500.00 estimated common area charge, a \$19.00 estimated insurance charge, and a \$253.00 payment for estimated real estate taxes, bringing the total amount due to \$1399.00 per month.²⁴ In 2011, the amount due for estimated real estate taxes increased to \$600, bringing the total amount due to \$1,746.00 per month.²⁵ As of May 2014, this amount remains as the cost of leasing unit C-6.²⁶

BASIC LEASE TERMS AND EXHIBITS SECTION 1.1 BASIC LEASE TERMS: This section contains the basic tease terms agreed to between Landford and Tenant and referred to elsewhere in this Lease. Each reference in this Lease to any of the basic lease terms shall be construed to incorporate all the terms provided hereinunder each such basic lease term:

A: LEASED PREMISES: Space C-6 (hereinafter referred to as "Leased Premises") shown cross-hatched in red on Exhibit B. FLOOR AREA WITHIN LEASED PREMISES: econoximately 1,506 square feet

B. LEASE TERM: One years.

C. TENANT'S CONSTRUCTION AND FIXTURE PERIOD (ARTICLES III and IV) 60 days

D. FIXED MINIMUM BENT (ARTICLE V): \$ 627.00 per month

²¹ Rep. Rush Transcript (Exhibit 1 at 14-8751 0044).

²³ Copy of Lease, Aug. 4, 1989 (Exhibit 2 at 14-8751_0082).

²⁵ Response from the Draper & Kramer Property Manager (Exhibit 3 at 14-8751_0106).

¹⁹ Copy of Lease, Aug. 4, 1989 (Exhibit 2 at 14-8751_0081).

²⁰ Id.; Transcript of Interview of the Draper & Kramer Property Manager, May 5, 2014 ("Property Manager Transcript") (Exhibit 4 at 14-8751_0146) (statement made by Draper & Kramer counsel).

²² *Id.* at 14-8751_0053-54. Representative Rush explained that he did not feel the landlord was required to provide the space with running water or heat. *Id.* at 14-8751_0053.

²⁴ Id.; Response from the Draper & Kramer Property Manager (Exhibit 3 at 14-8751 0106).

²⁶ *Id.* The tenant was also billed additional amounts for "reconciliation" charges, reflecting actual charges in common areas, insurance, and real estate taxes. *Id.* at 14-8751 0107.

- 31. The use of the office space is described in the lease as "an aldermanic office for Alderman Rush's local Chicago political Ward, known as the Second Ward.²⁷ The tenant's name in the lease is "Alderman Bobby Rush."²⁸
 - H. USE (ARTICLE VI): As an aldermanic office for Alderman Rush's local Chicago political Ward, known as the Second Ward.

 5. TENANT'S TRADE NAME (ARTICLE VI): ALDERMAN BOBBY RUSH
- 32. The lease expired in 1990 and is currently a month-to-month tenancy governed by the terms of the original lease. A Draper & Kramer Property Manager told the OCE that she began managing the account in 2002 and had no knowledge of whether the circumstances of the tenancy changed upon Representative Rush's election to the House of Representatives. ³⁰
 - b. Ward Committeeman, State Committeeman & Friends of Bobby Rush
- 33. The OCE was given various accounts on how the office space was used after 1993, when Representative Rush became a Member of Congress. Representative Rush told the OCE that after he became a Member, and up until a "few years ago," he was a Cook County Democratic Ward Committeeman and used the space to conduct "political Ward meetings" where precinct captains would conduct business.³¹
- 34. After his tenure as a Ward Committeeman, Representative Rush then became an Illinois state Democratic Party Central Committeeman ("State Committeeman"), 32 which he remains today. 33 As a State Committeeman, Representative Rush used the office space to meet with prospective candidates for state and local elected office, gathering material from them, and circulating material for them. 44 He conducted meetings in that fashion until "six [or] seven" years ago. 55 Representative Rush later told the OCE that although there was "really no need to have" the office, "sometimes" he would "exercise some" of his responsibilities as a state Committeeman out of the office. 66 Representative Rush called the office his "political office . . . strictly used as a function of my State Central Committeeman."

²⁷ Copy of Lease, Aug. 4, 1989 (Exhibit 2 at 14-8751 0082).

 $^{^{28}}$ Id

²⁹ Property Manager Transcript (Exhibit 4 at 14-8751_0112); Response from the Draper & Kramer Property Manager (Exhibit 3 at 14-8751_0106).

³⁰ Property Manager Transcript (Exhibit 4 at 14-8751_0130).

³¹ Rep. Rush Transcript (Exhibit 1 at 14-8751_0034).

³² In 1986 Representative Rush established a state political committee named "Friends of Bobby Rush." Today that committee serves in support of his status as a State Committeeman.

See http://www.elections.il.gov/campaigndisclosure/committeesearch.aspx.

³³ Rep. Rush Transcript (Exhibit 1 at 14-8751 0034).

³⁴ *Id.* at 14-8751 0035.

³⁵ *Id*.

³⁶ *Id.* at 14-8751 0042.

³⁷ *Id.* at 14-8751 0041.

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- 35. According to Representative Rush, up until the last "three or four years" the space was used as a gathering place to watch election returns.³⁸ Now, the office "just mostly sits there" and has "very little value" due to the vacant and abandoned properties next to it, infestation, and dangerous environment surrounding the space.⁴⁰ Representative Rush told the OCE that he has neither "interest nor need" in using the office for personal purposes.⁴¹
- 36. The Campaign Treasurer told the OCE that she is the treasurer for both Friends of Bobby Rush, the Illinois campaign committee formed in support of Representative Rush's status as a State Committeeman, and Citizens for Rush, Representative Rush's congressional campaign committee. She stated that the office is "more like a Committeeman's office because there may be other candidates also" who occupy the office, but that to her, "it just stays empty because the posters on the windows are from the election two years ago."
- 37. The Campaign Volunteer, who has a key to the office, told the OCE that the space "has been unoccupied for at least . . . five or six years" and that "when the office is used, it's other candidates that come there and put their posters in the windows because of him. [Representative Rush], as a State Central Committeeman, that's part of his responsibility...." When asked if a lease existed, the Campaign Volunteer stated that he did not know but "always thought [the office space] was a gift." When asked what he meant by "gift," the Campaign Volunteer responded that the City of Chicago at one time paid for use of the space and he thought that the lease was "extended" to Representative Rush after his time as Alderman. 46

c. Citizens for Rush

38. Concerning activities by Citizens for Rush in the office space, Representative Rush stated that he has not run "a campaign out of [the office space] in memory" and that he doubted ever using the space for congressional campaign purposes.⁴⁷ He stated that the Campaign Treasurer and his wife, who is paid by Citizens for Rush for her congressional campaign work, conduct all their campaign work from home.⁴⁸ Representative Rush later told the

³⁸ *Id.* at 14-8751 0035.

³⁹ *Id.* Representative Rush told the OCE that a continuous use of the office, sometime in 2007 or 2008, had been for a community program called "Hope and Healing" for at-risk youth for about eighteen months. *Id.* at 14-8751_0040. ⁴⁰ Rep. Rush Transcript (Exhibit 1 at 14-8751_0049).

⁴¹ Id. at 14-8751 0038.

⁴² Transcript of Interview of the Campaign Treasurer, Mar. 14, 2014 ("Treasurer Transcript") (Exhibit 5 at 14-8751 0165-166).

⁴³ *Id.* at 14-8751 0172, 174.

Transcript of Interview of the Campaign Volunteer, Mar. 14, 2014 (Exhibit 6 at 14-8751_0220).

⁴⁵ *Id.* at 14-8751_0222.

⁴⁶ *Id.* at 14-8751_0223.

⁴⁷ Rep. Rush Transcript (Exhibit 1 at 14-8751 0035, 41).

⁴⁸ *Id.* at 14-8751 0057.

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OCE that the Campaign Treasurer may use the office on Election Day, but that such use was unrelated to his election to the House of Representatives.⁴⁹

- 39. Although Representative Rush and his campaign staff acknowledged only incidental use of the space, especially by Citizens for Rush, Representative Rush's Brother told the OCE that he may have done some "visibility work" or "field work" for Citizens for Rush in 2012 that included making telephone calls and meeting with campaign staff in the office space. He also stated that prior to 2011, he conducted campaign work in the office space and assumed that the work was done for Citizens for Rush. 51
- 40. Representative Rush's Son told the OCE that he has worked on his father's campaigns frequently and that he has "done a lot of things for Citizens for Rush," including Election Day poll watching. ⁵² When asked where he conducts his campaign work, including work for the State Committeeman candidacy, Representative Rush's Son stated that "there's a campaign office in Chicago, and it depends on the campaign . . . [i]t was on 35th and King Drive." Representative Rush's Son later stated that he did not think he had ever worked out of the 35th and King Drive office for Citizens for Rush, but "maybe in the early days we did." ⁵⁴
- 41. A BCFWC Board Member also told the OCE that she had volunteered for Citizens for Rush on Election Day in the past and had worked at a voting precinct.⁵⁵ She stated that she knew that Citizens for Rush had an office space at "like 34th and Lake Meadows Shopping Center"⁵⁶ and that on "Election Day, it's kind of the hub where everybody picks up their material," but "it's really just open on Election Day."⁵⁷ The last time she visited the space was in 2009 or 2010. ⁵⁸
- 42. The Campaign Treasurer told the OCE that there's "very little activity" with Friends of Bobby Rush. ⁵⁹ She is currently paid solely for her work with Citizens for Rush, when funds are available. ⁶⁰ She also stated that although she completes work for Citizens for Rush at home, she uses the office space on Election Day to pay volunteers, feed volunteers, and to have a place for a "short meeting." Utility payments have come from

⁴⁹ *Id.* at 14-8751 0041-42.

⁵⁰ Transcript of Interview of Representative Rush's Brother, Mar. 13, 2014 (Exhibit 7 at 14-8751 0258).

⁵¹ *Id.* at 14-8751 0259.

Transcript of Interview of Representative Rush's Son, Mar. 13, 2014 ("Rep. Rush's Son Transcript") (Exhibit 8 at 14-8751 0286).

⁵³ *Id.* at 14-8751 0291.

⁵⁴ *Id.* at 14-8751_0294.

⁵⁵ Transcript of Interview of a BCFWC Board Member, Apr. 10, 2014 ("Board Member Transcript") (Exhibit 9 at 14-8751 0313).

⁵⁶ This is the same space identified as "35th and King" and 3361 S. Martin Luther King Drive, unit C-6.

⁵⁷ Board Member Transcript (Exhibit 9 at 14-8751_0314).

⁵⁸ *Id*.

⁵⁹ Treasurer Transcript (Exhibit 5 at 14-8751 0166).

⁶⁰ IA

⁶¹ *Id.* at 14-8751_0171.

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended Citizens for Rush funds when they are available.⁶² In late 2010 or early 2011, Citizens for Rush purchased a heating unit for the office space.⁶³

- 43. The Draper & Kramer Property Manager told the OCE that she did not know about Representative Rush's status as a State Committeeman and that her only knowledge of Citizens for Rush came from posters in the windows of the office space. ⁶⁴ She viewed "Congressman Rush" as the tenant while noting that she based that view on the terms in the lease. ⁶⁵
- 44. As discussed above, both Citizens for Rush and Friends of Bobby Rush conducted some degree of campaign work out of the office space since Representative Rush's election as a Member of the House of Representatives and as a State Committeeman. Further, Representative Rush explained that he does not use the "political" office in any personal capacity.
 - C. <u>Citizens for Rush and Friends of Bobby Rush May Have Exceeded State and Federal Contribution Limits By Accepting In-Kind Contributions in Addition to Failing to Report the Contributions</u>
- 45. The office space landlord is Lake Meadows Associates, an Illinois limited partnership. Since November 7, 2007, Lake Meadows Associates has three general partners: D&K Investments Lake Meadows, LLC; DKIA Lake Meadows, LLC; and FC Ford Lake Meadows, LLC. All three general partners are registered in Illinois as limited liability companies. 67
- 46. Representative Rush told the OCE that he has never paid rent for use of the office space and that he has never been asked to pay rent. However, when he conducted Aldermanic work out of the office, he understood that rent was paid by the City of Chicago. ⁶⁹
- 47. Representative Rush told the OCE that he has never received any communications from the landlord that rent was due and that he believed his presence in the space served some "benefit" to the landlord because his "name was on the door." He further stated that he never felt Citizens for Rush had any obligation to pay for the office space because Citizens for Rush "never used that office."

⁶² *Id.* at 14-8751 0177.

⁶³ *Id.* at 14-8751 0177-178.

⁶⁴ Property Manager Transcript (Exhibit 4 at 14-8751_0150).

⁶⁵ *Id*.

⁶⁶ Limited Partnership Documents (Exhibit 10 at 14-8751_0334).

⁶⁷ Id. at 14-8751_0333-335. Contributions from partnerships with LLC members are not treated as contributions from corporations (as prohibited by federal law, see 2 U.S.C. § 441b) unless the LLCs choose to be taxed as a corporation under federal tax law. See 11 C.F.R. § 110.1(g)(2). The OCE has obtained no evidence that any of the three LLC partners of Lake Meadows Associates has made that decision.

⁶⁸ Rep. Rush Transcript (Exhibit 1 at 14-8751_0044).

⁶⁹ *Id*. at 14-8751_0045.

⁷⁰ *Id.* at 14-8751_0046.

⁷¹ *Id*.

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- 48. When asked if he felt that *either* Friends of Bobby Rush or Citizens for Rush had to pay rent for use of the office space, Representative Rush told the OCE that he "probably would have felt that had someone said to me that you're in violation of a lease"⁷² Representative Rush further stated that he viewed the situation as the office "being occupied rather than me being a tenant, and that there was no expectations [*sic*] that I had for anything regarding that office from Draper and Kramer."⁷³
- 49. Draper & Kramer, Inc. maintains records for the unit C-6 office space and identifies "Congressman Bobby Rush" as the account holder.⁷⁴ The company creates "lease ledgers" like the one represented below, dated November 1, 2013.⁷⁵ In it, the itemized charges for the space are listed.⁷⁶ Also listed are several entries of "w/o 2012 charges" bringing the balance to zero for the end of the year.⁷⁷

Balance Farward Co66 G27.00 10.0					
Lease 1d Second Color			L	case Information	
Congressment Bobby Rush Lase Type Office Not 318.5 o. Aling Drive Sales Category Real Services Sales Category Real Services Real Services Sales Category Real Services				Lease Id secoli Property cm1798 Location LAKE MEADOWS SHOPPI	WG CTR:
Congressment Bobby Rush 2341 5.0 kmlp Drive Sales Category Retal Services					
### Sale Category Retal Services Chicago, T.L., 60816 Sale Category Retal Services	Co	noressman Bobby Rush			
Lease Term From 11/10/1989 To	33	61 So. King Drive			
Lazes Area 1,505 (Net Rentable) Lazes Area Lazes Lazes Lazes Area Lazes Lazes Lazes Area Lazes Laz	Can	cago, It, sours			
Date				Lease Area 1,505 (Nat Rentable) Monthly Ronk 627.00 Office Phona (225)344-4	•
Balance Forward Co66				the transfer of the contract o	
06/09/1/12 Co66 G27.00 10.00	Date		Unit	Charges Payments	
06/09/1/2	06/01/12		C060	627.00	9,556
0.600 /12 CO66 690.00 31.	06/01/12		C066		10,861
04/01/12				600.00	21,76
07/91/12 CAN Recovery (07/2012) C060 50.0.0 13. 07/91/12 Insurance Recovery (07/2012) C060 60.0.0 13. 07/91/12 Insurance Recovery (07/2012) C060 19.0.0 13. 08/91/12 Insurance Recovery (07/2012) C060 19.0.0 13. 08/91/12 CAN Recovery (08/2012) C060 50.0.0.0 14. 08/91/12 CAN Recovery (08/2012) C060 19.0.0 14. 08/91/12 Insurance Recovery (08/2012) C060 19.0.0 14. 08/91/12 Insurance Recovery (08/2012) C060 19.0.0 14. 08/91/12 Insurance Recovery (08/2012) C060 19.0.0 14. 08/91/12 Store Base Rent (08/2012) C060 627.0 13. 09/91/12 Store Base Rent (08/2012) C060 627.0 15. 09/91/12 Store Base Rent (08/2012) C060 600.0 14. 09/91/12 Store Base Rent (08/2012) C060 600.0 14. 09/91/12 Re Tax Recovery (09/2012) C060 600.0 15. 09/91/12 Re Tax Recovery (09/2012) C060 600.0 15. 09/91/12 Re Tax Recovery (09/2012) C060 627.0 15. 09/91/12 Store Base Rent (18/2012) C060 627.0 15. 09/91/12 Store Base Rent (18/2012) C060 627.0 15. 09/91/12 Store Base Rent (18/2012) C060 600.0 15. 09/91/12 Ret Tax Recovery (19/2012) C060 600.0 17. 09/91/12 Ret Tax Recovery (19/2012) C060 19.0 19.0 19.0 19.0 19.0 19.0 19.0 19.				19,60	11,30
19793/12 RE Tax Recovery (07/2012) C060 00.00 13					11,925
17/10 17					12,42
1990 12 Store Base Rend (08/2012)					13,02
BR01/12					13,04
Description					13,67
BigOl/12 Ensurence Recovery (08/2012)					14,175
98/97/12 2011 RETAX Reconstitution					14,775
99/01/12 Store Base Rent (99/2012) C060 97.70 129/01/12 Per Par Recovery (19/2012) C060 97.00 129/01/12 Re Tax Recovery (19/2012) C060 97.00 129/01/12 Store Base Rent (16/2012) C060 97.00 129/01/12 Re Tax Recovery (10/2012) C060 97.00 129/01/12 Per Tax Recovery (11/2012) C060 97.00 129/01/12 Per Pax Recovery (11/2012) C060 97.00 129/01/12 Per Pax Recovery (11/2012) C060 99.48 97.20 129/01/12 Per Pax Recovery (11/2012) C060 99.48 97.20 129/01/12 Per Pax Recovery (11/2012) C060 99.48 97.20 129/01/12 Per Pax Recovery (11/2012) Per Pax					14,79
99,01/12 CMR Roovery (19/2012) C090 900,00 11/99900/112 CMR (19/2012) C090 190,000 15/9900/112 RF TAR RECOVERY (19/2012) C090 190,00 15/9900/112 Insurance Recovery (19/2012) C090 190,00 15/9900/112 Insurance Recovery (19/2012) C090 190,00 15/9900/112 CMR Roovery (10/2012) C090 190,00 190,		Store Base Rent (09/2012)			
09.001/12 Re.Tax Recovery (09/2012)	09/01/12	CAM Recovery (39/2012)	C060		11,486
19,01/12 Insurance Recovery (10/2012)	39/01/12	RE Tax Recovery (09/2012)	C060		15,056
16/04/12 Store Base Rent (16/2012) C060 627.00 15.	09/01/12	Insurance Recovery (09/2012)	C060		15,105
100-11/12 CMF 100-11/12 CM	10/01/12	Store Base Rent (10/2012)	C060	627.00	15,732
10/19/12 RE Tax Recovery (10/2012) C060 10.00 16.1			C060	500.00	16,232
10,05(1) 2009 RETINE refund C060 (1,163.01) 15,150 15,				600.00	16,832
1,101/12 Store Base Rent(1/1/2012)				19.00	16,651
1.1031/12					15,468
1.001/12 RE Tax Recovery (11/2012) C660 800.00 1.001/14 1.001/12 1.001/14					16,095
1,001/12 Instructor Recovery (11/2012) C060 19.00 17.70 17					16,595
20U1/12 Siorn Buse Remt(1/2/2012)					17,195
27,01/12					17,214
2011/12 RE Tax Recovery (12/2012) C066 600.00 10,0 10					17,841 18,341
2/931/12 Insurance Recovary (12/2012) C050 19.00 16.9 2/91/14 2/92 2012 drarges C050 (5,009.09) 12.9 2/92/11 2/92 2012 drarges C050 (36.515) 12,1 2/92/11/12 2/92 2012 drarges C050 (78.60) (78.60) 11,8 2/92/11/2 2/92 2/92/11/2 2/92 2/92/11/2 2/92 2/92/11/2 2/92 2/92/11/2 2/92 2/92/11/2 2/92 2/92/11/2 2		RE Tax Recovery (12/2012)			18,341
7/21/12 w/o 2012 charges Cos0 (6,00.60) 12.9 2/21/11 w/o 2012 charges Cos0 (55.05.5) 124,1 2/21/11 w/o 2012 charges Cos0 (20.6.5) 13.4 2/21/11 w/o 2012 charges Cos0 (20.6.0) 11,8 2/21/11 w/o 2012 charges Cos0 9.45 11,9 2/21/12 w/o 2012 charges Cos0 (7,200.0) 4.7 * Description Unit Charges Payments 6. 11/12 w/o 2012 charges Cos0 2.019.21 1.7			-0050		18,960
2/21/12 w/o 2012 charges				(6,00.00)	12,960
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2/21/12 w/o 2012 charges C060 (7,20,000) 4.7 ** Description Unit Charges Payments 6.11/12 w/o 2012 charges C060 2,181,21 1.1					11,896
# Description Unit Charges Payments 6. 2//12 w/o 2012 charges Cosco 2,818.21 7.7					71,905
11/12 w/o 2012 charges Cosco 2.818.21	2/21/12	MAG STASS CUBROGS	€060	(7,200.00)	4,705
21/12 w/o 2012 charges Co60 2,818.21					
21/12 W/o 2012 charges C060 2.818.21 7:		and a seed of a seed of the seed of	Unit	Charges Payments	Gala
21/12 W/o 2017 charges C060 /7 524 00\				2,819.21	7,524

⁷² *Id.* at 14-8751_0047.

⁷³ *Id.* at 14-8751_0053.

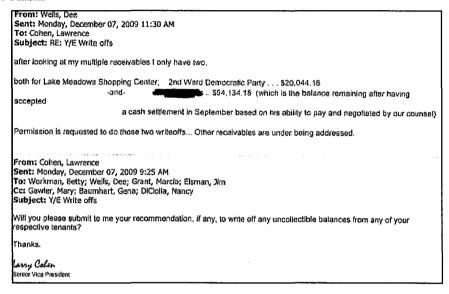
⁷⁴ Draper & Kramer Lease Ledger, Nov. 1, 2013 (Exhibit 11 at 14-8751 0339-340).

⁷⁵ Id.

 $^{^{76}}$ Id. These are the same charges discussed previously in the findings: \$627 rental charge; \$19 estimated insurance charge; \$600 estimated real estate tax charge; \$500 estimated common area charge. 77 Id

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50. As shown in the example email below dated December 7, 2009, the Draper & Kramer Property Manager responded to an email from the head of the real estate management department, inquiring about a recommendation to "write off any uncollectable balances from any of your respective tenants." In her response she writes "2nd Ward Democratic Party . . . \$20,044.18." Later in the email she asks for permission to write off "Bobbie Rush".



- 51. The Draper & Kramer Property Manager told the OCE that "uncollectable" means it is "something where . . . you don't expect to collect." When asked what factors are used to determine whether rent is uncollectable, the Draper & Kramer Property Manager stated that it is "a decision made by management" depending on "the particulars of that particular tenant . . . his ability to pay, his net worth."
- 52. The OCE repeatedly asked the Draper & Kramer Property Manager why the decision was made to determine that this account was uncollectable and not to pursue the uncollected rent. The Draper & Kramer Property Manager continued to respond that the decision was a management decision and that a "precedent" had been set prior to her taking over the account. She only sought approval to continue with the precedent that had been set, a precedent she described as a "known fact."
- 53. The Draper & Kramer Property Manager further stated that she did not make collection efforts on the account because she was not directed to do so. 84 Collection efforts were

⁷⁸ Email from Lawrence Cohen to the Draper & Kramer Property Manager, Dec. 7, 2009 (Exhibit 12 at 14-8751_0342-344).

⁷⁹ Id.

⁸⁰ Property Manager Transcript (Exhibit 4 at 14-8751_0116).

⁸¹ *Id.* at 14-8751_0117.

⁸² *Id.* at 14-8751_0117-122, 124-125.

⁸³ *Id.* at 14-8751 0123.

⁸⁴ *Id.* at 14-8751_0122.

made for other tenants but not for Representative Rush.⁸⁵ When asked how many of the approximately 120 accounts that the Draper & Kramer Property Manager has under her supervision are considered entirely uncollectable, she responded with "very few." "Possibly once or twice," in addition to this account, has the Draper & Kramer Property Manager ever written off the entirety of charges associated with an account. "87"

54. As shown in the letter below dated March 6, 2012 to Representative Rush, Draper & Kramer, Inc. sought to lease the property to another tenant, considering the space valuable and rentable. 88 The Draper & Kramer Property Manager writes "[1] and lord is interested in leasing the space you occupy at Lake Meadows Shopping Center to a rent-paying tenant and would like the ability to show the space from time to time to such prospective tenants." 89

March 6, 2012 Congressman Robby David 700 East 79th Street Chicago, IL 60619 Lake Meadows Shopping Center Dear Congressman: I emailed Rosemary about this several months ago and she was going to forward the request to you, but I've not heard back from her so I thought I'd try to contact you personally. You may or may not have heard that Draper and Kramer is in the process of closing the Professional Building at 31" and Rhodes with the plan of re-purposing the Building. Because of that fact, we need to find office space for some of our foyal long-term tenants in that Building. Landlord is interested in leasing the space you occupy at Lake Meadows Shopping Center to a rent-paying tenant and would like the ability to show the space from time to time to such prospective tenants. Since someone is not always in that office I'm wondering how we can show the space to a prospect, as that need may arise. Whom could my lensing people call with such a request, and how much lead time would you need for us to show the space. I look forward to hearing from you on this issue. Cordially, DK REAL ESTATE SERVICES division of Draper and Kramer, Incorporated

55. From 1993 through 2013, the amount of unpaid rent totaled approximately \$365,040 at rates of \$16,788 per year (1993-2011) and \$20,952 per year (2011-2013). From the OCE's jurisdiction date of March 11, 2008, the amount of unpaid rent totaled approximately \$110,000. To date, Citizens for Rush has reported no contributions from Lake Meadows Associates or Draper & Kramer, Inc. 91

⁸⁵ Id. at 14-8751_0122-123.

⁸⁶ *Id.* at 14-8751_0125.

⁸⁷ *Id.* at 14-8751 0135-136.

⁸⁸ Letter from the Draper & Kramer Property Manager to Representative Rush, Mar. 6, 2012 (Exhibit 13 at 14-8751_0346).

⁸⁹ Id.

⁹⁰ These totals do not reflect additional, actual charges that exceeded estimated monthly payments for common area, real estate tax, and insurance, totaled at the end of the year.

⁹¹ See generally Federal Election Commission database for Citizens for Rush, available at, http://docquery.fec.gov/cgi-bin/fecimg/?C00257121.

56. Therefore, there is a substantial reason to believe that Representative Rush's state and federal campaign committees, as organizations over which Representative Rush exercises control, accepted excessive in-kind contributions from an Illinois partnership, and failed to report those contributions, in violation of Illinois state law, federal law, and House rules.

D. Representative Rush May Have Received Improper Gifts or Special Favors By Accepting the Impermissible In-Kind Contributions

- 57. Under House rules, contributions to a Member's congressional campaign committee that comply with the Federal Election Campaign Act, as amended, are not considered gifts and are not subject to House Gift Rule restrictions.⁹²
- 58. As stated above, there is a substantial reason to believe that Citizens for Rush, the congressional campaign organization over which Representative Rush exercises control, accepted in-kind contributions in violation of House rules and federal law. The excessive in-kind contributions did not comply with the Federal Election Campaign Act's amount restrictions, and had a monetary value over \$50. Therefore, these contributions are also potential impermissible gifts to Representative Rush.
- 59. Representative Rush and Citizens for Rush may have also received special favors or benefits from Lake Meadows Associates and Draper & Kramer, Inc. Representative Rush and his campaign committees were one of only a few tenants receiving yearly write-offs from the landlord and did so while failing to adhere to the terms of the lease, for roughly twenty years.
- 60. Therefore, there is a substantial reason to believe that Representative Rush accepted impermissible gifts or special favors in violation of House rules and standards of conduct.

III. REPRESENTATIVE RUSH'S CONGRESSIONAL CAMPAIGN COMMITTEE'S DONATIONS TO THE BELOVED COMMUNITY CHRISTIAN CHURCH AND ITS EMPLOYMENT OF HIS SON

A. Applicable Law, Rules, and Standards of Conduct

- 61. House Rule 23, clause 6(b) states that "a Member may not convert campaign funds to personal use in excess of an amount representing reimbursement for legitimate and verifiable campaign expenditures."
- 62. 2 U.S.C. § 439a(b)(1) states that "[a] contribution or donation described in subsection (a) of this section shall not be converted by any person to personal use."
- 63. 11 C.F.R. § 113.1(g) states the following: "Personal use. Personal use means any use of funds in a campaign account of a present or former candidate to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or duties as a Federal officeholder."

⁹² See House Rule 25, clause (a)(3)(B).

64. 11 C.F.R. § 113.1(g)(2) states the following: "Charitable donations. Donations of campaign funds or assets to an organization described in section 170(c) of Title 26 of the United States Code are not personal use, unless the candidate receives compensation from the organization before the organization has expended the entire amount donated for purposes unrelated to his or her personal benefit." ⁹³

B. Representative Rush's Son is Employed by the Church

- 65. Representative Rush is the Pastor and Teacher of the Church located at 6430 S. Harvard Street, Chicago, Illinois. He helped establish the Church twelve years ago, approximately in 2002. The Church is a 501(c)(3) charitable organization under federal tax law and is led by a group of Church members called the "core group." Representative Rush has never received any form of compensation for his work at the Church. The Church of the
- 66. Four people are on the Church's payroll: a drummer, the church steward, the choir director, and the organist. 98
- 67. On July 1, 2013 Representative Rush's Son began employment with the Church. 99 His position with the Church is as a custodial engineer. Representative Rush told the OCE that his son had volunteered in that role for some time until a decision was made to pay him for his services. 101
- 68. According to Representative Rush's Son, "three or four months" prior to his start date, Representative Rush's Son inquired about the open position by asking Representative Rush if the Church needed help. Representative Rush told his son that he would have to ask the core group about the decision to hire him. The core group then voted to hire him. 104
- 69. Representative Rush's Son is paid bi-weekly at a rate of \$300 per week and that rate has not changed as of April 2014. He works six or seven days a week for at least four

⁹⁶ *Id.* at 14-8751_0004.

⁹³ The Federal Election Commission has issued several advisory opinions interpreting 11 C.F.R. § 113.1(g)(2). In those opinions, the FEC has stated that campaign funds donated to a charitable entity that employs a family member of the candidate is personal use. *See, e.g.*, FEC Adv. Ops. 2005-06; 1997-1; 1996-40.

⁹⁴ Rep. Rush Transcript (Exhibit 1 at 14-8751 0004).

⁹⁵ *Id.* at 14-8751_0003.

⁹⁷ Id. at 14-8751_0016.; Transcript of Interview of Angelique Chatman, Mar. 13, 2014 ("Chatman Transcript") (Exhibit 14 at 14-8751_0370); Board Member Transcript (Exhibit 9 at 14-8751_0308); Rep. Rush's Son Transcript (Exhibit 8 at 14-8751_0280).

⁹⁸ Chatman Transcript (Exhibit 14 at 14-8751_0359-360).

⁹⁹ New Employee Setup Form (Exhibit 15 at 14-8751_0392).

¹⁰⁰ Id.; Rep. Rush's Son Transcript (Exhibit 8 at 14-8751_0268)

¹⁰¹ Rep. Rush Transcript (Exhibit 1 at 14-8751_0011).

¹⁰² Rep. Rush's Son Transcript (Exhibit 8 at 14-8751_0269-270).

¹⁰³ *Id.* at 14-8751_0271.

¹⁰⁴ Chatman Transcript (Exhibit 14 at 14-8751_0366).

¹⁰⁵ Rep. Rush's Son Transcript (Exhibit 8 at 14-8751_0278).

hours per day and up to as many as twelve or fourteen hours per day. ¹⁰⁶ The pay rate is roughly the same as the individual who held the position previously. ¹⁰⁷ Representative Rush told the OCE that he had "very little" to do with the negotiations on the amount of compensation and that he thought his son negotiated the amount with the core group, on his own. ¹⁰⁸

C. <u>Citizens for Rush Did Not Make Donations to the Church During the Time</u> Representative Rush's Son was Employed by the Church

- 70. According to public reporting with the Federal Election Commission, Citizens for Rush has made approximately \$71,366 in donations to the Church since 2007. 109
- 71. In its 2013 Federal Election Commission October Quarterly Report, Citizens for Rush disclosed a \$2,100 donation to the Church, disbursed on July 23, 2013. This reported disbursement occurred after Representative Rush's Son was hired by the Church on July 1, 2013.
- 72. On April 15, 2014, Citizens for Rush amended its October Quarterly Report to reflect a \$2,100 donation¹¹¹ made to BCFS, an non-profit organization that conducts after school and computer literacy programs in the community. Representative Rush's wife sits on the BCFS board. BCFS's Executive Director submitted to the OCE that neither Representative Rush, nor any member of his family, has ever been compensated by BCFS. 114
- 73. The Campaign Treasurer told the OCE that the 2013 donation, previously disclosed as made to the Church, was in fact made to BCFS. During the course of the OCE's review, the Campaign Treasurer discussed records of the donation with the Church. The Campaign Treasurer stated that Representative Rush's wife had signed the check and made the donation to BCFS. 117

¹⁰⁶ Id. at 14-8751_0276.

¹⁰⁷ *Id.* at 14-8751_0274.

¹⁰⁸ Rep. Rush Transcript (Exhibit 1 at 14-8751_0011).

¹⁰⁹ See generally Federal Election Commission database for Citizens for Rush, available at, http://docquery.fec.gov/cgi-bin/fecimg/?C00257121.

¹¹⁰2013 FEC October Quarterly Report, filed Oct. 15, 2013 (Exhibit 16 at 14-8751 0394).

²⁰¹³ FEC Amended October Quarterly Report, filed Apr. 15, 2014 (Exhibit 17 at 14-8751_0396).

¹¹² Chatman Transcript (Exhibit 14 at 14-8751_0372).

¹¹³ BCFS submission to OCE, May 6, 2014 (Exhibit 18 at 14-8751_0399).

¹¹⁴ M

¹¹⁵ Treasurer Transcript (Exhibit 5 at 14-08751 0190-191).

¹¹⁶ *Id.* at 14-08751_0190.

¹¹⁷ *Id.* at 14-08751_0192.

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74. As shown below in a bank statement, BCFS received \$2,100 from Citizens for Rush on July 23, 2013. 118

BELOVED COMMUNITY FAMILY
SERVICES INC PAYROLL ACCOUNT
6450 S HARVARD AVE
CHICAGO IL 60621
Litellumitenthallulimitenthallul

75. Therefore, there is not a substantial reason to believe that Citizens for Rush's donations to the Church violated House rules, standards of conduct, or federal law.

IV. CONCLUSION

- 76. Representative Rush has been a tenant at 3361 S. Martin Luther King Drive, unit C-6, Chicago, Illinois since 1989. He has been a tenant there in roles as a city Alderman, Cook County Ward Committeeman, State Committeeman, and a congressional candidate. In only one of those roles, as a city Alderman, did Representative Rush occupy the office space in an official capacity and pay for its use under terms of a valid lease. Since 1993, Representative Rush has used the office space in varying political capacities and has never paid rent to the landlord, an Illinois limited partnership. The landlord has sought to lease the space to a rent-paying tenant in the past, viewing the space with some degree of value while accounting each year for the amount of rent that should have been paid.
- 77. The Board recommends that the Committee further review the above allegation concerning Representative Rush's office rental space because there is a substantial reason to believe that Representative Rush's state and federal campaign committees accepted inkind contributions in violation of Illinois state law, federal law, and House rules.
- 78. Representative Rush continued receiving the free office space in violation of the lease terms, while other tenants of the landlord were not given the same special favors.
- 79. The Board recommends that the Committee further review the above allegation concerning Representative Rush's office rental space because there is a substantial reason to believe that Representative Rush accepted impermissible gifts or special favors in violation of House rules and standards of conduct.
- 80. Representative Rush's Son began compensated employment with the Church in July 2013. That same month, Citizens for Rush disclosed a donation to the Church for \$2,100. During the course of the review, the OCE discovered that the donation had actually been made to BCFS, an entity that did not compensate any member of Representative Rush's family.
- 81. For the reasons stated above, the Board also recommends that the Committee dismiss the above allegation concerning Citizens for Rush's donations to the Church because there is not a substantial reason to believe a violation of House rules, standards of conduct, or federal law occurred.

¹¹⁸ BCFS Bank Statement (Exhibit 19 at 14-8751 0401).