

APPENDIX J

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5 PENDING BUSINESS

6 Thursday, November 18, 2010

7 House of Representatives,

8 Committee on Standards

9 of Official Conduct,

10 Washington, D.C.

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14 The committee met, pursuant to call, at 12:08 p.m., in
15 Room 1310, Longworth House Office Building, Hon. Zoe Lofgren
16 [chairwoman of the committee] presiding.

17 Present: Representatives Lofgren, Chandler,
18 Butterfield, Castor, Welch, Bonner, McCaul, Conaway, Dent,
19 and Harper.

20 Staff present: Blake Chisam, Chief Counsel/ Staff
21 Director; Dan Taylor, Counsel to the Chair; Kelle Strickland,
22 Counsel to the Ranking Republican Member; Amelia Johnson,
23 Investigative Clerk; Heather Jones, Counsel; Deborah Morris,
24 Counsel; Donald Sherman, Counsel; and Joanne White,
25 Administrative Staff Director.

1 The Chairwoman. The Standards Committee will come to
2 order.

3 I would like the record to reflect that all 10 members
4 of the committee are present and to note also that the chair
5 is authorized to recess the committee at any time.

6 This hearing of the Committee on Standards of Official
7 Conduct in the matter of Representative Charles B. Rangel
8 will come to order.

9 When I designated the members of the adjudicatory
10 subcommittee to consider the Statement of Alleged Violations
11 in this matter, I noted that the code of government ethics
12 states clearly that a public office is a public trust.

13 It was our responsibility to determine whether
14 Representative Rangel's conduct met that standard. It was
15 our obligation to act impartially as finders of fact and law.
16 And the members of the subcommittee fulfilled that
17 responsibility and met that obligation. We did so fairly,
18 honestly and without bias.

19 The subcommittee did not prejudge the allegations
20 against Representative Rangel. Indeed, the subcommittee did
21 not find all of the alleged counts to be proven. But,
22 ultimately, we found that his conduct failed to meet the
23 ethical standards that apply to all Members of the House.
24 Those standards apply equally to those of us who have the
25 privilege of representing our communities in the House for

1 the first time and to our most senior colleagues.

2 On November 16th of this year, the subcommittee in the
3 matter of Representative Rangel determined that 11 of the 13
4 counts in the Statement of Alleged Violations in this matter
5 were proven by clear and convincing evidence. Under
6 committee rules, when a subcommittee concludes that one or
7 more counts have been proven, it becomes the responsibility
8 of the full committee to determine whether to recommend
9 disciplinary action regarding Representative Rangel and, if
10 so, what form of sanction would be appropriate.

11 The committee has the option to take disciplinary action
12 on its own initiative or to recommend that the full House do
13 so. The purpose of this hearing is to allow both
14 Representative Rangel and committee counsel to share their
15 views with the members of the committee as to what sanction
16 would be appropriate in this matter, if any.

17 As we begin, it is important to bear in mind that the
18 purpose of the ethics process is not punishment, but
19 accountability and credibility; accountability for the
20 respondent and credibility for the House itself. When a
21 Member has been found by his colleagues to have violated our
22 ethical standards, that Member must be held accountable for
23 the conduct. But it is perhaps equally important that the
24 outcome demonstrate the credibility of the House of
25 Representatives.

1 By investigating credible allegations of misconduct and
2 sanctioning conduct that is proven to violate that standard,
3 we maintain the integrity of the House and the trust of the
4 public in this institution.

5 The committee may recommend a range of sanctions. Our
6 rules provide some general guidelines to follow in
7 recommending a sanction. For example, a letter of reproof
8 may be issued by the committee on its own initiative. Other
9 sanctions require action by the full House. Among these, our
10 rules indicate that reprimand is appropriate for serious
11 violations; censure is appropriate for more serious
12 violations; and expulsion is appropriate for the most serious
13 violations.

14 Further, both the committee and the House itself are
15 guided by the precedents of the House. For example, the
16 House has in its history expelled only five Members; three
17 for disloyalty to the Union during the Civil War and two
18 after they were convicted of felonies.

19 Our rules are clear, that findings of violations alone
20 should not be the basis for recommending a sanction.
21 Instead, we are required to provide both the respondent and
22 committee counsel with an opportunity to share their views
23 about disciplinary action.

24 In reaching our decision, it is imperative that we act
25 in a fair and even-handed manner. I note that today's

1 hearing is open to the public. And although our
2 deliberations take will place in executive session, our
3 colleagues and the public will have the opportunity to hear
4 the views of the parties regarding an appropriate sanction at
5 this hearing.

6 Both Representative Rangel and committee counsel have
7 previously been advised of the guidelines for this hearing.
8 And as with any other phase of this process, the respondent
9 may seek to waive this procedural step if he chooses. He is
10 not required to be here or to address the committee.

11 Representative Rangel has chosen to be here today, and
12 he has the right to share his views on the appropriate
13 sanction with us. And should he wish to do so, we will hear
14 him out or his representative and take his opinion into
15 consideration in our deliberations.

16 The parties will be each allowed 30 minutes to present
17 their views to the committee. Although they are not required
18 to do so, they may submit written briefs for the committee's
19 consideration; and if they do so, those findings will be
20 included in the record.

21 As a general rule, witnesses are not permitted in this
22 phase. However, if a written request for a witness is made,
23 witness testimony may be allowed by a majority vote of the
24 committee. Neither party has to this point filed a written
25 request to seeking to permit witness testimony.

1 After we have heard from the parties, members will be
2 permitted, under the 5-minute rule, to ask any questions they
3 may have following the presentations. We will then adjourn
4 to executive session, where we will deliberate and, by
5 majority vote, decide what disciplinary action to recommend.

6 Our decision will be announced publicly, and the basis
7 for our conclusions will also be explained in a public report
8 to the House of Representatives.

9 With that, I would ask my colleague, the ranking member,
10 Jo Bonner, whether he would like to make a brief opening
11 statement.

12 Mr. Bonner.

13 Mr. Bonner. Thank you, Madam Chair, for the opportunity
14 to say a few words.

15 We are nearing the end of what has been a long,
16 difficult and unpleasant task. And let me speak for just a
17 moment about what makes this so unpleasant.

18 I know for a fact that many a newly-elected Member of
19 Congress on both sides of the aisle have been welcomed to
20 Capitol Hill by that bigger than life, gravelly voice of
21 Charlie Rangel, who would put his hand on their shoulder and
22 say, "Welcome to Capitol Hill."

23 So before I go any further, I would personally like to
24 thank you, Madam Chair, Ranking Member McCaul, and all of the
25 members of the adjudicatory subcommittee for the work that

1 you completed earlier this week.

2 Special thanks are also in order for the entire
3 committee staff, as well as those who were involved in the
4 investigative phase of this matter, which, regretfully but
5 unavoidably, lasted for almost 2 years.

6 Individually and collectively we have shown what the
7 chairwoman stated on Tuesday was our moral obligation, to act
8 with fairness, led only by the facts and the law, as we
9 attempt to discharge our duties. As most everyone in this
10 room knows, the work of this committee is often mundane and
11 almost always done out of sight.

12 We give advice and education to Members of Congress and
13 their staffs so that they can know what they can and can't do
14 to be in compliance with the Rules of the House. We look
15 into matters that have come to our attention to see whether
16 or not a Member has crossed any inappropriate line.

17 And as the American people have witnessed this week and
18 in recent months, as these rare but not unprecedented public
19 proceedings have occurred, we have, once again, demonstrated
20 that your elected Representatives can deal with an obviously
21 uncomfortable but absolutely necessary charge that comes to
22 us from the Constitution itself, which requires that each
23 House of Congress maintains the responsibility to punish its
24 Members for breaking either the Rules of the House or the
25 laws of our land, for disorderly behavior, and for bringing

1 discredit to this, the People's House.

2 As an aside, I found it especially ironic and
3 troublesome that on the very day that almost 100
4 newly-elected Members of the 112th Congress were arriving in
5 Washington for their freshmen orientation, in another room
6 just a few steps away was a man who once wielded one of the
7 most powerful gavels in town and at one time was one of our
8 most highly regarded colleagues. And yet he was showing so
9 little regard and respect either for the institution that he
10 has claimed to love or for the people of his district in New
11 York that he has claimed to proudly represent for more than
12 40 years.

13 Now, I don't pretend to speak for Mr. Rangel's
14 constituents. They have re-elected him, often without
15 opposition, more times than many of the Members of Congress
16 have actually been alive. But while Mr. Rangel has tried
17 repeatedly this week to claim the unfairness of what has
18 happened to him, in my mind, the most unfair thing of all was
19 that his constituents were denied an opportunity to know the
20 findings of fact as determined by eight of his colleagues,
21 four Republicans and four Democrats before they, the voters
22 in the 15th District of New York, had an opportunity to
23 choose their Representative earlier this year.

24 This process could have and should have been concluded
25 earlier, and as such, it is my view that the committee failed

1 the people of Harlem and the 15th District of New York for
2 this reason alone.

3 Before he marched out of the hearing on Monday but even
4 after the subcommittee's conviction by clear and convincing
5 evidence on Tuesday, Mr. Rangel stated that this panel should
6 now take into account his entire 40 years of service to the
7 Congress as well as his military record.

8 Let me be clear, his distinguished military service is
9 not up for debate, nor is it a relevant part, in my view, of
10 this deliberation. For when the American people bestow upon
11 us the privilege of being their representative, it is both a
12 matter of tradition and protocol that the position also
13 carries with it the title of honorable.

14 Sadly, Madam Chair, it is my unwavering view that the
15 actions, decision, and behavior of our colleague from New
16 York can no longer reflect either honor or integrity.

17 As I noted earlier, I cannot speak for the people of
18 Mr. Rangel's district, but I do know this, for the tenants
19 who qualified for a rent-stabilized apartment in New York or
20 any American city but couldn't get one because a powerful man
21 had four, there is something wrong with that.

22 For the small businesswoman who didn't pay her taxes for
23 17 years and had the IRS breathing down her back, I can only
24 imagine how she would have liked to have had the chance to
25 help write the Tax Code of this country and make it less

1 burdensome and simpler for everyone else.

2 And for the still relatively new Member of Congress,
3 from California, who just a couple of years ago questioned
4 whether or not it was appropriate to be building a monument
5 to me, I will never forget the arrogance of the response. I
6 was on the floor that day. "I would have a problem if you
7 did it," Mr. Rangel said to Mr. Campbell on the House floor
8 of July 19, 2007, "because I don't think you have been around
9 long enough to have your name on something to inspire a
10 building like this."

11 Madam Chair, it is painful for me to say this to a man I
12 personally respect, but Mr. Rangel can no longer blame anyone
13 other than himself for the position he now finds himself in;
14 not this committee, not his staff or family, not the
15 accountants or lawyers, not the press. Mr. Rangel should
16 only look into the mirror if he wants to know who to blame.

17 While I am not an attorney, as most of the members of
18 this committee are, as well as the respondent himself, I know
19 and I believe we all know that it should not take either a
20 law degree or a legal dictionary to tell us the difference
21 between right and wrong. It is now up to each one of us to
22 determine the appropriate measure of punishment for the
23 discredit Mr. Rangel has brought to this House. And I thank
24 the chairwoman for this opportunity to offer a few heartfelt
25 observations and yield back my time.

1 The Chairwoman. The gentleman's time has expired.

2 Mr. McCaul. Madam Chair, I have an opening statement
3 that I had intended to deliver. And as ranking member of the
4 subcommittee that brought this forward, I would simply ask
5 that this be entered into the record.

6 The Chairwoman. The gentleman asks unanimous consent
7 that his statement be submitted into the record.

8 And without objection, it is so entered.

9 [The statement of Mr. McCaul follows:]

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11 ***** COMMITTEE INSERT *****

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1 The Chairwoman. And I would note that other members of
2 the committee who would like to submit opening statements
3 will have 5 legislative days to do so.

4 With that, I now would ask Mr. Chisam to make his
5 presentation on the issue of sanctions to the committee.

6 You will have 30 minutes to make that presentation
7 beginning now.

8 Mr. Chisam.

9 Mr. Chisam. Thank you, Madam Chair, Ranking Member
10 Bonner, members of the committee, the House's authority to
11 discipline its own Members is explicit in the Constitution.
12 Article 1, Section 5, provides each House may punish its
13 Members for disorderly behavior and, with the concurrence of
14 two-thirds, expel a Member.

15 When a Member has been found to have violated the
16 standards that govern his conduct, it falls to this committee
17 to recommend to the full body an appropriate sanction.

18 Charges of unethical conduct can be evaluated only on a
19 case-by-case basis. It was for the very purpose of
20 evaluating particular situations against existing standards
21 and of weeding out baseless charges from legitimate ones that
22 this committee was created.

23 The respondent, on his own initiative, came to this
24 committee and asked it to evaluate his conduct. The
25 committee has.

1 Before you today are the findings of the adjudicatory
2 subcommittee in the matter of Representative Charles B.
3 Rangel. That subcommittee found that 11 counts in the
4 statement of alleged violation were proven by clear and
5 convincing evidence. The 11 counts relate to four general
6 areas of misconduct: Respondent's improper solicitation of
7 individuals and entities with business and interests before
8 the House to fund the Charles B. Rangel Center For Public
9 Service at the City College of New York and his misuses of
10 official resources to make those solicitations; respondent's
11 failure to file full and complete financial disclosure
12 statements for the years 1998 through 2008; respondent's
13 acceptance of a favor or benefit from his landlord related to
14 his use of a residential rent-stabilized apartment as a
15 campaign office under circumstances that created an
16 appearance of impropriety; and respondent's failure to report
17 and pay taxes on his Dominican villa.

18 The subcommittee found that respondent's actions and
19 accumulations of actions reflected poorly on the institution
20 of the House and thereby brought discredit to the House.

21 Based on the subcommittee's findings, this committee
22 must now determine the appropriate sanction to recommend.
23 The committee's rules provide at least some guidance in
24 determining sanctions. Under those rules, the range of
25 punishment is a reprimand, a censure, or expulsion. The

1 committee may also recommend a fine or the denial or
2 limitation of any right, power, privilege or immunity of the
3 Member if, under the Constitution, the House of
4 Representatives may impose such denial or limitation.

5 The rules say that a reprimand is appropriate for
6 serious violations; a censure for more serious violations;
7 and expulsion for the most serious violations.

8 This committee, in its 43-year history, has recommended
9 that the House impose sanctions 16 times. Four times the
10 committee has recommended expulsion, the most recent being
11 former Representative Traficant in 2002. Three times the
12 committee has recommended censure, the most recent being
13 former Representative Charles H. Wilson in 1980. Nine times
14 that committee has recommended reprimand, the most recent
15 being former Speaker of the House Gingrich in 1997.

16 On three occasions, the full House has declined to
17 follow the recommendation of the committee. In two cases in
18 which the committee recommended reprimand, the House
19 determined to censure the Members. In one case, the
20 committee recommended censure, but the House instead imposed
21 a reprimand.

22 During the history of this committee, only eight Members
23 have been reprimanded. Only four have been censured. In the
24 committee's history, it has issued five public letters of
25 reproof. Two of those have been issued since 1997.

1 The committee's precedents do not draw a clear line to
2 determine an appropriate sanction in this case. On two
3 counts, respondent has been found to have violated Clause 5
4 of the Code of Ethics For Government Service.

5 The committee also found violations of Clause 5 in the
6 matter of Representative Robert Sikes. In that matter,
7 Representative Sikes was active in promoting the
8 establishment of a bank, including his intervention with
9 State and Federal officials. During the time he was
10 assisting with the bank's establishment, he also purchased
11 2,500 shares of the bank's privately held stock. Based on
12 that conduct, the committee recommended that Representative
13 Sikes be reprimanded.

14 Respondent has been found have violated the financial
15 disclosure requirements. The committee also found violations
16 of financial disclosure requirements in the matter of
17 Representative George Hansen. Representative Hansen had
18 failed to report nearly \$334,000 in loans and profits from
19 1978 to 1981 and had been convicted of four counts of making
20 false statements. In that matter, the committee recommended
21 a reprimand.

22 The committee also found violations of financial
23 disclosure requirements in the matter of representative
24 Robert Sikes. In that matter, Representative Sikes failed to
25 disclose ownership of two stocks. The committee specifically

1 stated that in neither instance does it appear that the
2 failure to report was motivated by an effort to conceal the
3 financial holding from the Members of the House for the
4 public. Nonetheless, the committee stated that a failure to
5 report was deserving of a reprimand.

6 Respondent has been found to have violated laws and
7 regulations pertaining to the misuse of official resources.
8 This committee also found violations for misuses of official
9 resources in the matter of Representative Austin Murphy. In
10 that matter, the committee found that Representative Murphy
11 permitted official resources to be diverted from his district
12 office to his former law firm. The committee also found that
13 ghost voting had occurred and that representative Murphy
14 retained a staffer who did not perform duties commensurate
15 with his pay. Based on those violations, the committee
16 recommended a reprimand.

17 The committee also found violations for misuse of
18 official resources in the matter of Representative James
19 Traficant. Among numerous other violations found against
20 Representative Traficant, the committee found that he had
21 directed members of his congressional staff to perform
22 personal labor and services related to his boat and his farm.
23 Taking into account all of Representative Traficant's
24 violations, including bribery, the committee recommended that
25 Representative Traficant be expelled.

1 Respondent has been found to have violated tax laws.
2 The committee also found violations for tax-related conduct
3 in the matter of Representative Newt Gingrich.
4 Representative Gingrich failed to seek and follow legal
5 advice, thus failing to ensure that the activities of his
6 organizations were in accordance with Section 501(c)(3) of
7 the Internal Revenue Code. The committee also found that
8 Representative Gingrich should have known that information
9 transmitted to the committee was inaccurate, incomplete, and
10 unreliable. Based on that conduct, the committee recommended
11 that Representative Gingrich be reprimanded.

12 The committee also found violations for tax-related
13 conduct in matter of representative James Traficant.
14 Representative Traficant failed to report and pay income tax
15 for 2 years. Representative Traficant had been convicted of
16 filing false tax returns. The committee recommended that
17 Representative Traficant be expelled, based on numerous
18 violations, including underlying criminal conduct.

19 Respondent used the imprimatur and resources of his
20 office to solicit money from individuals and entities with
21 business and interests before the Congress and before the
22 Ways and Means Committee, in particular. He was soliciting
23 to create and establish a center that would encourage young
24 minority students to consider entering public service, a
25 noble goal and an admirable project.

1 Imagine for a moment how it would feel to be a startup
2 nonprofit struggling to find the funding needed to keep
3 going. You have great ideas, but you need the money to fund
4 them. You are not really sure of the best way to approach
5 potential donors. You send letters to big foundations, to
6 corporations, to well-known philanthropists. You don't get
7 your foot in the door, and your ideas don't get anywhere.

8 And then you see Congressman Rangel sending letters out,
9 using taxpayer money, in an attempt to raise money for his
10 cause. He gets advice. He gets meeting. He gets donations
11 for a center named after him. How would that feel?

12 Think also about the students at the Rangel Center.
13 They have an interest in going into public service. They
14 want to do good to make this country a better place. But
15 what they come to learn is that respondent, to raise money to
16 create a center that was about public service, did not follow
17 the standards expected of public servants. What kind of
18 example was that of what public service ought to be?

19 But it is more than all of that. Respondent's position
20 in Congress mattered, and everyone knew it. His staff
21 understood it. The college understood it. The donors
22 understood it. Even those who did not give understood it.

23 Before the November 2006 election, there was only one
24 significant private donation to the Rangel Center, a \$25,000
25 contribution that came in solely because respondent wrote a

1 letter. At that time, things looked bleak. The college was
2 worried they would have to shut the project down,
3 particularly after a major earmark respondent requested fell
4 through.

5 But they all said, in one form or another, that when
6 respondent became chairman, it would help raise private
7 money. After the 2006 election, after it was clear
8 respondent would become chairman of the ways and means
9 committee, the college started to get larger contributions.
10 The donors, they had business or interests before the
11 Congress.

12 Just the appearance of that alone is striking, and how
13 does it help ensure trust in government?

14 The adjudicatory subcommittee found that respondent's
15 use of an apartment as an office for his campaign in
16 violation of the terms of his lease and New York City's
17 zoning regulations and its building code was a favor or a
18 benefit to respondent that created an appearance of
19 impropriety.

20 Think for one moment about one of respondent's neighbors
21 and constituents, one who may not have been as fortunate as
22 him. Maybe she lived in Lenox Terrace for 30 years and had a
23 rent-stabilized apartment. Their landlord was seeking to
24 evict her because they claimed she wasn't using the apartment
25 as her primary residence. Faced with the choice to buy

1 groceries or pay to fight the lawsuit, she simply decides to
2 pack up and leave. Imagine, a few months later, she
3 discovers that respondent had an apartment in the building
4 that he didn't use as his primary residence. She also learns
5 that Lenox Terrace staff knew about the office and that the
6 landlord got rent checks and e-mails with "Rangel for
7 Congress" on them. She also learns that management put
8 respondent's name on a list of special-handling tenants. She
9 learns that respondent and his staff met with the landlord
10 about a potential new real estate development deal, and she
11 learns that when the press wrote about respondent's use of
12 the apartment, he moved his campaign office somewhere else,
13 almost immediately. How would that influence her faith in
14 government?

15 The Supreme Court has said taxes are the lifeblood of
16 government and their prompt and certain availability an
17 imperious need. Imagine how it feels to be one of your
18 constituents who dutifully pays her taxes. Maybe she is a
19 waitress who earns much of her pay from tips; preparing her
20 tax return is a real pain. It takes a lot of time. She
21 can't afford an accountant, and she sure doesn't like to
22 file. She doesn't like paying either, but she does it. And
23 she reports all of her income, including those cash tips she
24 gets. One night, after a long day on her feet, she turns on
25 the television and she sees the chairman of the House Ways

1 and Means Committee. He is responsible for writing the tax
2 laws. And she learns that he hasn't been paying taxes on his
3 Dominican beach villa for 17 years; a Member of Congress, who
4 has a CPA to help him prepare and file his taxes, and still
5 he didn't get it right. How would she feel about that?

6 The purpose of financial disclosure is to inform the
7 public about the financial interests of government officials
8 in order to increase public confidence in the integrity of
9 government and to deter potential conflicts of interest.
10 Every Member of Congress and thousands of government
11 employees are required to complete these forms every year,
12 taking the time, which can be significant, to complete the
13 forms completely and accurately. The forms are important, as
14 this committee has recognized and reiterated repeatedly.
15 Financial disclosure is about the public's trust, being able
16 to see potential conflicts of interest between a Member's
17 private interests and his official duties is essential to
18 helping the public have faith that its representatives are
19 working to serve the public interest, not their personal
20 interests.

21 Respondent from 1998 to 2008 failed to file accurate
22 financial disclosure statements. This deprived the voters in
23 his district of the opportunity to view and test his personal
24 financial holdings against his duties as their Representative
25 in Congress.

1 In addition, respondent is a senior Member of the House.
2 He held positions of trust, authority, and power. As ranking
3 member and later chairman of the Ways and Means Committee, he
4 had significant influence over critical and intricate policy
5 areas that touched the lives of millions of Americans. From
6 taxes to Medicare, Social Security to trade, the Ways and
7 Means Committee's work has an effect on virtually every
8 American.

9 What does it say to the public when they learn that
10 their tax laws, health care policies and retirement incomes
11 were, in large measure, overseen by someone who showed such
12 sloppiness and such carelessness in preparing and filing his
13 own financial disclosure statements? What would that alone
14 do to the public's trust in government?

15 Inscribed over a door in the Capitol is a line by George
16 Washington. It reads: This government, the offspring of our
17 own choice, uninfluenced and unawed, has a just claim to your
18 confidence and support. It is essential that the public have
19 faith in this institution. The public must be able to trust
20 those who govern them.

21 As former Speaker of the House Henry Clay said,
22 government is a trust. And the officers of the government
23 are trustees, and both the trust and the trustees are created
24 for the benefit of the people. Public office is a public
25 trust.

1 Respondent violated that trust.

2 A Member who has been found to have violated the House's
3 ethics rules has breached the public's trust. When a Member
4 of Congress violates the terms of that trust, he is subject
5 to discipline by his colleagues. As trustees of the public
6 trust, each of you must consider the best interests of this
7 institution and the people it represents. You should
8 consider whether the conduct of a Member who has violated the
9 rules undermines the public's trust in its government.

10 Committee counsel submits that respondent's conduct,
11 which violated House rules, laws, regulations and other
12 applicable standards of conduct, undercut the public's
13 ability to have faith and trust in this institution. The
14 subcommittee found that respondent's conduct reflected poorly
15 on the institution of the House and thereby brought discredit
16 to the House.

17 Disciplinary action in this matter is necessary. As to
18 what that sanction should be, the question is whether the
19 precedents adequately reflect the standards expected of
20 Members today. At least with regard to individual counts, a
21 reprimand would not be inconsistent with the precedent. A
22 lawyer's fealty to precedent serves a purpose, in this case
23 both to the law and to the institution.

24 However, the fact is that the subcommittee's findings
25 show that respondent's course of conduct demonstrated a lack

1 of attention and carelessness over a broad range of issues,
2 over a lengthy period of time. His actions and his
3 accumulation of actions, as the subcommittee found, brought
4 discredit to the House. His conduct served to undermine
5 public trust in this institution.

6 The subcommittee's findings, the nature of his
7 misconduct, and the effect his actions and accumulation of
8 actions had on the public's trust, when weighed against the
9 precedents of this committee, suggest that something more
10 than a reprimand but less than a censure would not be
11 inappropriate.

12 That said, we cannot ignore the fact that respondent was
13 at relevant times either the chairman or ranking member of
14 the Ways and Means Committee. Nor can we look past the fact
15 that so many elements of his conduct intersected so overtly
16 with his stature and his position.

17 As a result, I respectfully submit that this committee
18 should recommend to the full House that it take disciplinary
19 action against respondent and that this committee recommend
20 respondent be censured by the House.

21 The Chairwoman. Have you concluded, Mr. Chisam?

22 Mr. Chisam. Yes, Madam Chair.

23 The Chairwoman. We will now turn to Mr. Rangel.

24 And I see you have our colleague, Mr. Lewis, sitting
25 next to you.

1 And I would invite you to address us now.

2 Mr. Rangel. Thank you.

3 First, let me say, I can imagine the awkwardness that
4 this committee has had in its deliberations over the years.
5 And I know none of you would have volunteered for this
6 service, nor would you have believed that this case would
7 have taken as long as it did take. And I understand that.

8 The second thing I would like to say that I hope
9 Mr. Bonner in his statement did not imply my lack of love for
10 my country or this Congress. One of the reasons that this
11 has taken so long is because, when people were talking about
12 settlement, never was the evidence that was not founded as
13 relates to the allegations ever mentioned.

14 As a matter of fact, one of the reasons why I was
15 insisting on having the witnesses to testify in front of the
16 investigatory committee was because they may not have changed
17 the facts, they may not have been giving excuses for my
18 behavior, but clearly, in view of some of the things that
19 have been said today by counsel and Mr. Bonner, they would
20 have given an explanation for my faulty behavior as it
21 relates to the very serious charge, charges of violating the
22 House Rules.

23 I look at myself every morning, Mr. Bonner, and I have
24 never blamed staff, my family, or anyone for my irresponsible
25 behavior as it relates to violation of the House Rules. As a

1 matter of fact, I have said it publicly, and you had clips of
2 this, as to what I have said.

3 And I, no matter what sanction you finally reach, I will
4 dedicate my life in trying to let younger Members and other
5 Members know that these rules are not there to punish; they
6 are there to guide the Members, to protect the character and
7 the integrity of this Congress. And whether they are new
8 Members or older Members, they have a responsibility to do
9 just that.

10 I would have hoped however that the atmosphere in which
11 I dealt with the landlord at 40 West on 35th Street, that I
12 dealt with those people that listed foundations that could
13 make recommendations for City College to receive a grant,
14 that they would have been able -- or that they were able and
15 did testify that in all of this, there was no request or
16 suggestion that I would receive any personal gain. There
17 would not be even the suggestion of corruption.

18 And had there been some suggestion when we were
19 negotiating as to whether or not we could have avoided this
20 hearing, if someone had said to me that they were willing, as
21 I am really asking this committee to do, to say what was not
22 found even though it was alleged and still is being alleged
23 by newspaper reporters, by television reporters, as it deals
24 with Rangel being a crook, Rangel being corrupt, Rangel
25 gaining, just -- I don't see any reason why if this committee

1 pointed out those things. Yes, I wanted my community to know
2 what I had done. I wanted to be judged publicly, and I
3 admitted wrongdoing to my committee. And it wasn't my fault
4 that this committee decided to have this hearing on the eve
5 of my primary or the eve of the general election.

6 But God knows, there was enough derogatory things said
7 about me that I don't think, Mr. Bonner, that you have to
8 feel sorry for my constituents not knowing. The press took
9 care of it, and I don't see where this committee or anyone
10 did anything to clear the record as to what I did not do,
11 even though I humbly recognize that what I did do was serious
12 enough for this committee to continue its investigations.

13 You know, I am not here to retry the case. But even
14 you, Mr. Bonner, might think it would be fair to point out
15 that the record would indicate that the landlord solicited me
16 for that fourth apartment, that the apartment had been
17 vacant, as other apartments had been throughout the building,
18 and that, with the exception of the zoning law mentioned by
19 counsel, it was determined there was no violations of any
20 agreements since the person that the lease was made to said
21 that he wanted me there and that my leaving there would have
22 destabilized the apartment.

23 But again, since you refer to the appears of favoritism,
24 I cannot get into that subjective feeling about the
25 appearances of people. I did not know I was on a special

1 list, and I don't think anyone has said, what did I gain as a
2 result of being on that list, because if there was
3 appearances, it was with the staff.

4 In any event, again, the fact that for 17 years, taxes
5 were paid to the Dominican Republic has nothing to do with
6 the facts in this case as it relates to my conduct. But I
7 would believe that the accountant that testified would have
8 shared with you how mistakes were made that I assume
9 responsibility for because, whether it is a lawyer or a CPA
10 or an accountant, I signed the paper.

11 But had I had the opportunity to listen to the witnesses
12 that Mr. Chisam heard, I think that perhaps the atmosphere
13 would not be that I was a bad person, but more in line with
14 what was said when Mr. Butterfield asked a question of Blake
15 Chisam, the ethics chief counsel, do you have any evidence of
16 personal financial benefit or corruption? Blake Chisam
17 asked, I see no evidence of corruption, said Blake Chisam, in
18 response to Representative Butterfield's question. Do you
19 believe that, based on the record, that Congressman Rangel
20 took steps to benefit himself based on his position in
21 Congress? No, I believe that the Congressman, quite frankly,
22 was overzealous in many of the things he did and sloppy in
23 his personal finances.

24 This statement is nothing for me to be proud of. This
25 statement makes me believe that a lot should have been done,

1 and I recognize that, and I admitted that. But it would
2 really help, and I don't think it is out of line, if the
3 committee didn't say it before, that you could put in that
4 report, no matter what you agree the sanctions should be,
5 that your Member was not corrupt and did not seek and did not
6 gain anything personally for the bad conduct that I have had.

7 That is all I have ever asked when I referred this whole
8 thing to this committee. All I asked was that you make a
9 point of investigating everything. I volunteered to have a
10 forensic accountant for 20 years to look over taxes, to look
11 over all of the things that should have been done and
12 corrected all of them. But that is not an example that I
13 would want to set for other Members of Congress.

14 And quite frankly, even though I came in here prepared
15 not to deal with the question of censure and the options that
16 you heard, I think that Mr. Chisam's list of when this
17 committee has saw fit to give reprimands -- well, I assume
18 that when you go into executive session you would compare how
19 other Members were treated under circumstances where they
20 were personally enriched and where there was no question that
21 the corruption existed.

22 I have brought my friend here, John Lewis, because I
23 wanted him to share who I was. I felt awkward in giving
24 self-serving statements as to how I have dedicated my life to
25 my country and to this Congress and to my community.

1 And I know that if I had counsel here, that they would
2 say one thing, don't antagonize any of the members of this
3 committee.

4 But, Mr. Bonner, I really was surprised that you could
5 deal with questions that dealt with my love for my Congress
6 and my country and my district as well to talk about
7 testimony that you found as factual that was not disputed by
8 me, but by the same token, the surrounding circumstances of
9 would I have left that apartment, would there have been a
10 subsidized apartment left there, the answer is no. These
11 people that would have been looking for a subsidized
12 apartment certainly weren't looking for it there. The
13 apartments were vacant, and I didn't try to hide anything
14 from anybody. But again, that doesn't deal with how it
15 appears, even though there is an account there saying that I
16 gave the appearance that I was receiving a gift.

17 And again, with the CCNY, I was overzealous because I
18 have dedicated my life to trying to make certain that those
19 people that were not exposed to the proper education could
20 get it, and there is the Rangel fellowship that the State
21 Department runs. There are scholarships in my name and those
22 not in my name because I know that the only thing between me
23 as a high school dropout in Korea and becoming chairman of
24 the awesome and respectable Ways and Means Committee was the
25 GI Bill on education.

1 So overzealous is not an excuse, but I appreciate
2 Mr. Chisam demonstrating that it is an explanation and not an
3 excuse for my behavior. And I hope you take that into
4 consideration because it is not just the years I have been in
5 Congress; it is the years that I expect my grandchildren to
6 be looking at, my community, and I hope you take all of those
7 things into consideration.

8 And I ask now that you give an opportunity for John
9 Lewis, perhaps, to share some views of the over 50 years of
10 friendship that we have enjoyed.

11 The Chairwoman. By unanimous consent, Mr. Lewis is now
12 recognized.

13 Mr. Lewis of Georgia. Thank you, Madam Chair.

14 Mr. Ranking Member, members of the committee, I want to
15 first state that I am here to say just a few words about my
16 dear friend, my colleague, my brother, Charlie Rangel.

17 I must state upfront that I don't know the facts in this
18 case. I have known Mr. Rangel for more than 50 years. He is
19 a committed and dedicated, hardworking patriotic American.
20 He fought in Korea for our country. He returned home and got
21 an education and went off to law school.

22 He served the City of New York and the State of New
23 York. He is a hardworking public servant. When the call
24 went out in 1965 to come to Selma, Alabama, to help people
25 who had been standing in an unmovable line who could not

1 register to vote, he came to Selma, and he walked with many
2 of us, including Dr. Martin Luther King, Jr., all the way
3 from Selma to Montgomery, Alabama, for the right to vote.

4 He sponsored and passed progressive legislation to end
5 the vicious and evil system in South Africa. He has always
6 been a champion for those who have been left out and left
7 behind. He has traveled the length and breadth of America
8 for those who did not have a voice.

9 My colleagues, I must tell you that Charlie Rangel is a
10 good and decent man. I know this man. I think I know his
11 heart.

12 I want to thank you, Madam Chair, Mr. Ranking Member,
13 and members of the committee for allowing me an opportunity
14 to say just a few words.

15 The Chairwoman. Thank you, Mr. Lewis.

16 Mr. Rangel. I have completed my statement.

17 If there are any members of the committee that have any
18 questions, I would be more than glad to attempt to respond.

19 The Chairwoman. Thank you.

20 The gentleman has yielded back his time.

21 I would turn now to the committee for guidance. The
22 Democrats have been noticed that we have a recorded vote.

23 Oh, so that has been postponed. All right. I retract
24 that statement. Our recorded vote has now been rolled. So
25 we will now go to the time in our proceedings when members

1 may, under the 5-minute rule, ask questions that they may
2 have.

3 I will turn first to the ranking member, Mr. Bonner, for
4 his 5 minutes.

5 Mr. Bonner. Madam Chair, I will defer questions to my
6 colleagues.

7 But I want to respond directly to Mr. Rangel about two
8 matters that he raised in his statement.

9 Mr. Lewis referenced the fact that, as a young man,
10 Mr. Rangel volunteered and came and marched with him in
11 Selma, Alabama, to help bring civil rights and justice for
12 all. I was born in Selma before that march. But I want you
13 to know that that is one of the many proud parts of your
14 legacy. And as someone who was born in Selma, I am grateful
15 that you came and did what you did to make America a better
16 place.

17 I want to make it perfectly clear, though, that in my
18 statement -- and I just rechecked the facts -- I did not nor
19 would I ever question your love of country and I didn't
20 question your love of the institution. I said that you have
21 so long proclaimed to love this institution, and I also made
22 it crystal clear that I am not qualified to speak for the
23 people of Harlem and the 15th District of New York. I also
24 noted that no one can take away the proud and dedicated
25 service you rendered to your country and the honors and the

1 medals that you earned.

2 Mr. Rangel. I would like to thank you, Mr. Bonner.

3 Mr. Bonner. I do want to point out, though, and while
4 it was clearly your prerogative on Monday to make a statement
5 about the lack of counsel and the frustration of not being
6 able to set up an account and to do what needed to be done so
7 that you would be represented, I do want to point out that
8 the adjudicatory subcommittee, of which I was not a member,
9 had the responsibility and, it was my understanding, the
10 intent to conduct a trial, to allow those witnesses that
11 could have defended your record and your views to have come
12 in a public setting to have made those arguments for you or
13 for the record.

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3 Mr. Bonner. And while I was not here that day and you
4 chose to leave after you came, I just want the record to be
5 clear that that was a choice that was made to not call
6 witnesses and to not represent yourself or to have legal
7 counsel represented for you. And I just didn't want that --
8 that assertion that the record could not have been more
9 complete. That was a decision that I certainly had no role
10 in.

11 Mr. Rangel. Madam Chair, could I respond?

12 Mr. Bonner. I am through.

13 The Chairwoman. Are you through with the question?

14 Mr. Bonner. Absolutely.

15 The Chairwoman. Mr. Rangel is represented.

16 Mr. Rangel. I don't necessarily believe those remarks
17 are correct. As I said in my remarks, the only reason I
18 wanted counsel and wanted a hearing was so that the witnesses
19 would be able to come forward and the questions as to
20 corruption and self-interest could be answered, that the
21 landlord could tell you that he solicited me. He wasn't
22 doing me any favor.

23 Having said all of that, it is not true that I had the
24 option of having witnesses called. That was denied me. They
25 created a summary judgment, and saying that there was no need

1 for witnesses because Rangel had admitted for wrongdoing with
2 the disclosure and the facts as related to other issues was
3 established.

4 So I don't know whether, Mr. Bonner, you were not on the
5 committee. But if you have any information that I had the
6 opportunity to call witnesses, you are making one big
7 mistake. That was denied.

8 Mr. Bonner. Thank you.

9 The Chairwoman. The gentleman's time has expired.

10 I would just note that the record will indicate that,
11 although a motion was filed, the chair did indicate that if
12 the Member wished to be heard that the ruling on the motion
13 would be held in abeyance.

14 Do other members have questions? Mr. McCaul.

15 Mr. McCaul. Thank you, Madam Chair.

16 Let me say first I was at a tribute last night, Mr.
17 Lewis, to you; and I want to commend both of you and echo the
18 sentiments of Mr. Bonner, your courageous acts during the
19 civil rights movement.

20 Moving on to this matter, I think a lot has been made of
21 the issue of self-interest and corruption; and the chief
22 counsel or prosecutor, if you will, has gotten widely
23 criticized for his comments that there was no corruption in
24 this case. And I guess I am a little confused. I guess it
25 depends how you define corruption.

1 Mr. Rangel, in your letter to Speaker Pelosi you stated,
2 as chairman of Ways and Means, I am held to a higher standard
3 of propriety. And I agree with that statement. Sitting on
4 one of the most powerful committees as chairman to solicit
5 corporations, foundations, lobbyists with business before the
6 committee, to raise money for what I call "monument to me,"
7 and an institute to be named after yourself, I believe, is of
8 value and is of benefit and is self-interested.

9 People donate millions of dollars to have institutions
10 named after themselves. And, in fact, Mr. Chisam, in your
11 motion you say the donations and resulting benefits were
12 accepted under circumstances which might be construed by
13 reasonable persons as influencing the performance of
14 respondent's governmental duties. Is that not corruption?

15 I guess it is how you define corruption here. I think
16 reasonable people may disagree on that interpretation.

17 And with all due -- I have great respect for you, sir,
18 but the failure to pay taxes for 17 years, what is that?
19 What is that tantamount to when we are all expected to pay
20 our taxes? And you, of all people as chairman of the Tax
21 Committee writing laws for the country, what is the
22 difference between that and Mr. Traficant who didn't pay
23 taxes for 2 years, who was expelled from the Congress? And
24 then censured -- Charles Wilson, one of the more recent
25 cases, received improper gifts and was censured.

1 Mr. Chisam, it is my understanding that your
2 recommendation here today is for censure?

3 Mr. Chisam. That is correct.

4 Mr. McCaul. I want to make one thing clear. There is a
5 misunderstanding, I think, in the opinion of the American
6 people that we have the authority somehow to put people in
7 jail or so forth. That is within a court of law. That is
8 not within the jurisdiction of this committee.

9 But, in fairness to you, Mr. Rangel, the respondent, and
10 Mr. Chisam, I would like some clarification, and I think the
11 American people would like some clarification as to how
12 soliciting monies in an improper way from entities that have
13 businesses before your committee, including lobbyists, to
14 build a monument to me, how that's not self-interest and how
15 that is not in some way defined as corruption.

16 Mr. Bonner. Is that a question to counsel?

17 Mr. McCaul. That's a question to both Mr. Chisam and to
18 Mr. Rangel.

19 Mr. Rangel. I would like to respond. Yes.

20 Had the witnesses been called, Mr. Chisam would have
21 told you that the City College came to me. They were looking
22 for the ability to use my name in raising funds for the
23 school.

24 Had the witnesses been here, it would have been made
25 abundantly clear that I was not trying to criminally hide

1 anything from the IRS or from the Congress.

2 If you looked at the records of disclosure, you would
3 see sloppiness that would have shown that I wasn't hiding
4 anything. It just wasn't properly recorded.

5 And if intent is involved with corruption, then I think
6 he is -- listen, there is nothing that I can imagine that
7 anyone who has been making a contribution to the City
8 College, that somehow or other that matter would not be one
9 that could possibly come before the Congress. It is
10 impossible.

11 And so you and I discussing corruption, I am satisfied
12 with the record that the investigatory committee established.
13 And that would lead you to believe, as a former prosecutor,
14 that never, but never, was there an attempt to hide anything
15 from my constituents or from the IRS.

16 And so, to me, if you have got to kick this up to --
17 from not properly abiding by the rules, which I admit are
18 serious enough, that's serious enough. But I really think
19 that it is a stretch to -- well, I don't want to get into a
20 discussion if -- like you said, is it objective and there are
21 a lot of things that have happened in life that I would think
22 that someone's conduct is corrupt, and that is something.

23 But I am just glad that you raised these issues to
24 emphasize that I wanted the people to know before the
25 election exactly what I have done and to allow them the

1 opportunity to make the decision whether their Congress
2 person was corrupt or overzealous.

3 The Chairwoman. Mr. McCaul's time has expired.

4 Mr. McCaul. Well, I would like Mr. Chisam to respond;
5 and, to that point, Mr. Rangel, we did on this side of the
6 aisle did try repeatedly to get this matter handled before
7 the elections.

8 The Chairwoman. The gentleman's time has expired. I
9 would ask unanimous consent to give Mr. Chisam an additional
10 minute to respond to Mr. McCaul's question, and that's so
11 ordered.

12 Mr. Chisam. Thank you.

13 Congressman, the other day I answered a question. I
14 answered it based on my reading of the record, the interviews
15 that I have conducted, the people I have talked to. It was
16 my opinion, mine. I do not presume to speak for anyone else,
17 nor did I intend to. I do think it comes to the question of
18 intent at the end of the day, and that's how I interpreted
19 Mr. Butterfield's question.

20 The Chairwoman. The gentleman's time has again expired.
21 Do other members have questions?

22 Mr. Conaway.

23 Mr. Conaway. Thank you, Madam Chairman.

24 I just have two -- actually, I had one about your
25 comments, Mr. Rangel, just to make sure I understood it. The

1 City College of New York came up with the idea of the Rangel
2 Center for Public Service and they approached you with that
3 idea, is that what you just told us?

4 Mr. Rangel. I had left the Clinton Library with a
5 Member of Congress on the Appropriations Committee, and I was
6 sharing that experience with the president of City College,
7 and he asked me whether or not I would -- what I was going to
8 do with my papers or something to that effect.

9 And I told him that since Colin Powell had something
10 there that I could put my papers there, and in the course of
11 the conversation he said that would be a great -- and I think
12 the record is clear in the investigating committee, even
13 though I have not talked with the president since and I have
14 not reread his testimony and my lawyer told me that I
15 shouldn't read the testimony of the witnesses because that
16 would confuse me --

17 Mr. Conaway. Mr. Rangel, yes, sir.

18 Mr. Rangel. -- witness. And I am saying they wanted me
19 more there than I wanted to go to City College.

20 And there is also a question of a gift there. And I
21 know counsel will say this, that the record would indicate no
22 one at City College told me about a gift of an office. The
23 last thing in the world I needed was an office. They put it
24 in, and they took it out, and that was considered to be part
25 of the gift.

1 Mr. Conaway. Reclaiming my time, reclaiming my time,
2 Madam Chairman.

3 Mr. Rangel. I am sorry.

4 Mr. Conaway. Mr. Rangel, I am perfectly satisfied with
5 the clarification the way the thing came together, that
6 started.

7 You retained a forensic accountant to go through not
8 only your financial disclosures but also your tax returns for
9 those 17 years, and they estimated what your taxes would have
10 been as best they could with the records available had you
11 filed your tax returns during that timeframe.

12 Mr. Rangel. Yes.

13 Mr. Conaway. Most of that taxes owed was told by the
14 statute of limitations, in other words, beyond the
15 opportunity for the IRS to compel you to pay those taxes.
16 Did you or have you given any consideration to voluntarily
17 paying those back taxes to square yourself with the IRS?

18 Mr. Rangel. I certainly have. Because the question
19 would have been, had the taxes been paid and the deductions
20 be made for the taxes and depreciation of the property in the
21 Dominican Republic, my accountant tells me it would have been
22 minimum.

23 And the only reason I did not expose and go beyond that,
24 because I wanted the case closed as it related to coming
25 before the committee.

1 If a part of your adjudication would be a responsibility
2 to do it, I just did not want to get involved legally in
3 doing something in front of this committee since they made it
4 abundantly clear.

5 Every obligation I had -- you know, this wasn't
6 reported. This is what I referred to the committee, and I
7 was prepared to do whatever the committee suggested to show
8 that I had no intent to evade or avoid the law.

9 Mr. Conaway. So, just to be clear, those taxes from the
10 early 1990s up through 2004 you have not yet paid those.
11 That estimate of the accountant that you retained and you
12 paid, to your credit.

13 Mr. Rangel. I paid whatever my accountant told me to
14 pay to make certain --

15 Mr. Conaway. Okay.

16 Mr. Rangel. -- that I was not behind in any taxes that
17 I owed.

18 Mr. Conaway. Thank you, sir. I yield back.

19 The Chairwoman. The gentleman yields back.

20 Any other member wish to be -- Mr. Dent.

21 Mr. Dent. Thank you, Madam Chairman. I have a few
22 questions.

23 This is as it relates to the issue of corruption. I
24 don't think it is the place for either Mr. Chisam or Mr.
25 Rangel to determine the corruption of Mr. Rangel. I think

1 ultimately the judge and jury will be the American people on
2 that question.

3 What we are here to deal with today are the various
4 violations of the counts, the 13 counts, and the adjudicatory
5 subcommittee said 11 of those 13 counts had been proven. And
6 we are here today to deal with the issue of sanctions,
7 whether it be a censure, a reprimand, or a fine, whatever.

8 My question to Mr. Chisam, you did not recommend a fine;
9 and I am just curious, too, for Mr. Rangel if, when you paid
10 those delinquent taxes, did you pay fines and penalties and
11 interest at the time?

12 Mr. Rangel. I paid whatever the accountant told me to
13 pay. I have always had an accountant. I have had one in New
14 York, and whatever they said that I should do to amend
15 returns, I have done, and that is true of disclosure as well
16 as the IRS.

17 And of those accounts, and if I just might add, as a
18 former prosecutor, Mr. McCaul, you know that out of the 13
19 allegations, I think four or five of them derives directly
20 from the fact that I improperly used congressional stationery
21 and with the intent that it was the right and proper thing to
22 do. Then all of the things about it happening on government
23 property, that it was franking that was done, that it was
24 government --

25 Mr. Dent. Reclaiming my time.

1 Mr. Rangel. I am sorry.

2 Mr. Dent. Thank you, Mr. Rangel.

3 Mr. Chisam, can I ask why you did not recommend a fine
4 in this particular situation. Recommended censure but not a
5 fine?

6 Mr. Chisam. Congressman, my ultimate recommendation is
7 the censure. In historical terms, I think that that would be
8 remarkably significant on its own.

9 However, I also noted in my remarks that, under the
10 precedence, the case could fall between a reprimand and a
11 censure and that it would not be inappropriate to find a
12 sanction in that range.

13 I think it is obvious, given the committee's rules, that
14 there are limited options for how you would get between a
15 reprimand and a censure. And a fine would certainly be
16 within the province of the committee if compliant within the
17 committee's rules.

18 Mr. Dent. Thank you, and when recommending a sanction
19 is it appropriate to consider the fact that Mr. Rangel
20 refused to participate in the proceedings the other day? For
21 example, I had a number of questions that I wanted to ask the
22 respondent as it related to Lenox Terrace that I had
23 submitted for the record. But can the committee consider his
24 refusal to participate in determining an appropriate
25 sanction?

1 Mr. Chisam.

2 Mr. Chisam. I think that this is an institution that
3 judges itself, and that your conscience -- each Member's
4 conscience and the variables that reflect on this institution
5 may be considered as you see fit. Obviously, I deal -- I
6 deal with the charges that have been found. I deal with the
7 proceedings. And based solely on those charges and what was
8 found, it is my recommendation for censure.

9 Mr. Dent. In the history of this institution, has a
10 Member ever been disciplined for such a large number of
11 violations as in this case? And, if so, what's the case
12 history?

13 Mr. Chisam. I think my recollection is that in the
14 matter of Diggs there were eight found counts -- I am sorry,
15 no, Wilson, Charles H. Wilson.

16 Mr. Dent. That's the most you are aware of?

17 Mr. Chisam. Yes.

18 Mr. Dent. Thank you. At this time I yield back.

19 The Chairwoman. The gentleman yields back.

20 Do other members have questions or wish to be heard?

21 Mr. Harper. Yes, sir.

22 Mr. Rangel. Madam Chairman --

23 The Chairwoman. Yes, sir.

24 Mr. Rangel. On the question of not participating, I
25 would like to respond.

1 The Chairwoman. Well, if I could, Mr. Rangel, if we
2 could ask the questions. And I would also note before
3 recognizing Mr. Harper that the chair did note during the
4 hearing that the respondent is not, under our rules, required
5 to participate.

6 Mr. Rangel. But he asked counsel, and since I don't
7 have counsel, I thought I could also respond.

8 The Chairwoman. By unanimous consent, Mr. Dent is given
9 another minute so that Mr. Rangel can answer that.

10 Mr. Dent. The question was about refusing -- when you
11 left the hearing, when you walked out of the hearing, I had
12 some questions on Lenox Terrace that I was going to ask you,
13 or your counsel, and you left, and I was unable to ask them.

14 Mr. Rangel. I want to make it clear, one, it was
15 understood, as the chair said, that I did not have to come
16 here during the proceeding.

17 Two, no one challenges the fact that I had expected to
18 have counsel here.

19 Thirdly, nobody could possibly suggest that I submit
20 myself to examination without a lawyer here.

21 And, fourth, I am prepared now to answer any questions
22 that you would want as relates to anything that you think
23 might influence your decision to the sanction, whether it is
24 Lenox Terrace or not.

25 The Chairwoman. Thank you, Mr. Rangel.

1 The gentleman's time has again expired, and we would ask
2 Mr. Harper to ask his questions.

3 Mr. Harper. Thank you, Madam Chairman.

4 Mr. Chisam, I just want to make sure that we are clear
5 and hope that Mr. Rangel understands. When we were set for
6 the hearing the other day, the witnesses were here and under
7 subpoena; is that correct?

8 Mr. Chisam. Real quickly, Mr. Harper, I want to say I
9 think I misspoke a minute ago. Traficant, I believe, was
10 nine found counts. So I just wanted to clarify that for the
11 record.

12 And to you, Mr. Harper, yes, we had witnesses here and
13 available and were very prepared to proceed.

14 Mr. Harper. And it is my understanding had Mr. Rangel
15 not walked out that those witnesses would have been called
16 and we would have heard that testimony, am I correct on that?
17 And this motion, the motion for summary judgment, would have
18 been held in abeyance?

19 Mr. Chisam. That was my understanding.

20 Mr. Rangel. Would it please the court, could I have
21 unanimous consent to ask counsel what I was told as relates
22 to this hearing? Counsel told me he was going to move for
23 summary judgment. Counsel moved for summary judgment. You
24 voted on summary judgment. How in the world would I have had
25 a chance to cross-examine witnesses?

1 The Chairwoman. If I may, we are going to let Mr.
2 Harper finish his questions. I will give a brief interplay,
3 with the indulgence of the members on that point. Then we
4 will recess to vote. These are the last votes of the day.
5 We will return, finish our questions, and then go into
6 deliberation.

7 Mr. Harper, finish if you could.

8 Mr. Harper. Mr. Chisam, as you look at the allegations
9 in the SAV, excluding the ones that dealt at the end with
10 violating the letter and spirit of the House rules and
11 conduct reflecting discredibility on the House, of the others
12 that were proven by clear and convincing evidence, is there
13 any one or two that stood out as more serious in your
14 consideration of recommending censure?

15 Mr. Chisam. I think there were three. The financial
16 disclosure count, the count relating to the nonpayment of
17 taxes, and the solicitation count and the circumstances in
18 which those solicitations were made, particularly the uses
19 of -- misuses of official resources weighed heavily in my
20 decision.

21 Mr. Harper. And of those three that you just mentioned,
22 was there any one that stood out more than the other two?

23 Mr. Chisam. I think, as I said, the financial
24 disclosure and the tax pieces, together, given his position
25 as the chairman. Ways and Means and the effect that that

1. would have had -- did have on the public's trust militated in
2 favor of a recommendation of censure, in my judgment.

3 Mr. Harper. Mr. Chisam, if I could also ask, as you
4 considered what were counts XII and XIII in the SAV, count
5 XII being the one charge of violating the letter and spirit
6 of the House rules and XIII, conduct reflecting
7 discredibility on the House, how did you weigh those counts
8 in your consideration of your recommendation?

9 Mr. Chisam. The finding that respondent's conduct
10 reflected discredibly on the House -- at the end of the
11 day, I think if you look back at the history of the committee
12 and the way cases typically settle or are disposed of, this
13 is about the institution, Congressman, and the ultimate test
14 for the institution is whether Members behave creditably.
15 That thirteenth count, at least as a perception and someone
16 who loves the institution, was fundamental.

17 Mr. Harper. Madam Chairman, with that, I yield back.

18 The Chairwoman. The gentleman yields back.

19 I would just note -- and we will come back after these
20 votes -- that, just to clarify, we did have all the
21 subpoenaed witnesses upstairs in a horrible little building,
22 little room. As I indicated on the record, we were prepared
23 to proceed with the hearing if Mr. Rangel chose to do so and
24 not rule on the motion that was offered when he declined, as
25 was his right, not to participate. Mr. McCaul and I went up

1 to tell the witnesses that they could go home, and that is
2 the way that happened.

3 At this point, the committee will be in recess until
4 after the votes, and I would ask members to promptly return
5 after the votes are concluded.

6 [Recess.]

7 The Chairwoman. The Standards Committee will come back
8 to order.

9 When we left for votes we were in a questioning mode
10 under the 5-minute rule, and I think Mr. Harper had just
11 finished his questions. I would now ask, would any other
12 members seek to ask questions?

13 Mr. Chandler is recognized for 5 minutes.

14 Mr. Chandler. Thank you, Madam Chair.

15 I know that protecting the integrity of this institution
16 is extremely important, although I must say that most surveys
17 that I am aware of would put in question whether there's much
18 integrity left to protect. And I think that probably refers
19 to one party as much as it does the other.

20 That being said, I think that the people this country
21 have an abiding sense of fairness and justice; and while they
22 want to see their institutions protected, they also want to
23 see justice done, and I think that's a very important matter
24 to most Americans that I know.

25 And while it is easy, I think, to sit in judgment and

1 criticize, it's a bit more difficult to actually find
2 justice, and we have got to, in this case, since this is a
3 hearing on sanctions, it's very important that we find
4 justice, and it's justice to the institution, it's justice to
5 the people of this country, but it's also justice to someone
6 who has been accused and found guilty.

7 That being said, I want like to ask counsel, it is my
8 understanding, based upon some testimony that I have heard,
9 that there has been no finding that the respondent was guilty
10 of any intent or factual instance of having personal gain; is
11 that correct, Counsel? I am asking you about the findings.

12 Mr. Chisam. Right. With respect to the findings,
13 that's correct.

14 Mr. Chandler. Okay. Now, in our jurisprudence system,
15 in order to find justice, one of the best ways that we
16 have -- maybe the best way that we have to determine what
17 constitutes justice is the system of precedents and what
18 precedents have been set, what went before us, what previous
19 Congresses have done in similar circumstances.

20 Do I understand it that there have been four instances
21 of censure in the past; is that correct?

22 Mr. Chisam. No. The numbers that I gave earlier all
23 relate -- are matters that came out of the committee itself.

24 There are a number of more censures in the history of
25 the House dating back to the 19th century.

1 Mr. Chandler. Well, let's talk about this committee
2 then. This committee has found four instances of censure?

3 Mr. Chisam. Has recommended, I believe that's right.

4 Mr. Chandler. And which of those did not contain some
5 element of personal gain, of those four?

6 Mr. Chisam. Just give me one second, I am sorry.

7 The matters -- the recommendations for censure were
8 Edward Roybal in 1978, failing to report a \$1,000 cash
9 contribution he received. Representative Charles Diggs was
10 convicted of 11 counts of mail fraud and 18 counts of false
11 statements. Charles H. Wilson accepted loans of more than
12 \$10,000 from a person with direct interest in legislation.

13 Mr. Chandler. Personal gain in all of those instances.

14 Mr. Chisam. Oh, and then the other two matters, which
15 there were two other matters in which the committee
16 recommended reprimand in which the House censured, and those
17 were both for having sex with pages.

18 Mr. Chandler. Well, we won't get into that.

19 Those other three, which sound as close to this case as
20 any, had personal gain involved in them; correct?

21 I guess what I am asking you, in essence, is, are we --
22 if we find censure in this case, would we be setting a
23 precedent or would we be following a previous precedent?

24 Mr. Chisam. You know, as I said, I don't think that the
25 precedent of the committee demarcates a very clear line.

1 There aren't any cases that are truly squarely on point here.
2 You can pick and choose certain counts and line those up with
3 different recommendations, but there really is not a case in
4 the committee's past that you can line up well with this
5 case.

6 To the extent that precedent, and it should be the
7 guide, and I believe it ought to be respected -- I also
8 think, however, as I noted, that the times may be different
9 than previous times in which the committee has considered
10 different sanctions.

11 Mr. Chandler. Which takes you into the realm of
12 subjectivity.

13 Mr. Chisam. Yes, it does.

14 The Chairwoman. The gentleman's time has expired.

15 Does any other member wish to ask a question?

16 Mr. Butterfield is recognized for 5 minutes.

17 Mr. Butterfield. Let me thank you, Madam Chair, and let
18 me thank the members of the subcommittee and the committee
19 and the staff. All of your hard work does not go unnoticed,
20 and I thank you very much.

21 I have heard said this week that this is a difficult
22 case, and difficult it is. It is difficult for me, first of
23 all, because I have not had staff nor counsel to advise me as
24 a member of this committee. All of us on this committee know
25 that the staff works for and with the chair and the ranking

1 member. In fact, members of this committee are even
2 instructed that we cannot discuss this matter or any matter
3 pending before the committee with our personal staffs. And
4 so we are left to sort of fend for ourselves, and that has
5 made me very uncomfortable.

6 When I was on the Supreme Court in my State, I had two
7 law clerks and an executive assistant who worked with me and
8 for me every day, and I depended upon them greatly. But I
9 have not had that type of support in this case, and that has
10 placed me at a tremendous disadvantage.

11 The other thing that has made this case difficult for me
12 is that we are asking not only a colleague but a man who is
13 80 years of age, has spent 40 years of his life -- that's one
14 half of his life -- in this institution.

15 I did not know until a few meetings ago -- I was eating
16 a chicken salad sandwich next to the chair in the cloakroom
17 in the House of Representatives; and, fortuitously, I looked
18 up on the wall and there was a picture of Congressman Rangel
19 that has been up there for several years, which was depicting
20 his service when he was in the Korean War. And I looked up
21 and read that, and at the conclusion of the article it talked
22 about his being awarded a Purple Heart and a Bronze Star, and
23 so that's the type of individual that we are judging.

24 It has also troubled me in this case that we are dealing
25 with a respondent who has no legal counsel, and that troubles

1 me greatly. It troubles me that his lawyers, after this
2 hearing was announced, the date of this hearing was
3 announced, after that his counsel decided to withdraw from
4 the case. I don't know their reasons for withdrawing. I can
5 tell you that when I was a trial judge in my State, never,
6 ever would I have allowed counsel to withdraw on the eve of
7 trial. And so that has troubled me greatly.

8 If Mr. Rangel had counsel today and earlier this week,
9 there are arguments that could have been made by counsel, but
10 those arguments have not been made, and it's not my
11 responsibility as a member of this committee to make those
12 arguments for Mr. Rangel, but there are certainly arguments
13 that could have been made. Those arguments would have had a
14 bearing on the censure that we will ultimately impose in this
15 case.

16 The precedents of the House, which is what my friend
17 from Kentucky alluded to a moment ago, the precedents of the
18 House are critically important, and skilled counsel could
19 have highlighted and compared other cases that the committee
20 has dealt with.

21 It is my hope, Madam Chair, that we will decide the
22 sanction based on precedence, not based on politics or
23 expediency or public opinion or even the lack of a lawyer.
24 The facts of this case do not, do not warrant a censure, in
25 my opinion.

1 I respect counsel's right to make such a recommendation,
2 but even counsel himself has acknowledged that the punishment
3 decision is difficult and ranges from reprimand to censure,
4 and I suggest that any conflict between these two punishments
5 must be resolved in favor of the respondent.

6 Censure is extreme. It should be reserved for
7 intentional conduct where the Member has derived a personal
8 financial benefit. That is not this case.

9 We are judges, Madam Chairman. We are bound by the law
10 of the case. In response to my question on Monday, Committee
11 counsel clearly stated that the evidence does not suggest
12 corruption.

13 Counsel has lived with the case. He knows it inside and
14 out. He has a distinguished career of public service, and
15 he, based on my observations, is a legal scholar. If he saw
16 corruption in this case, he would have said so.

17 The law of the case establishes no corruption and, as
18 judges, we should be bound by this fact. We must not insert
19 any legal conclusions that would supplant the conclusions of
20 the parties and the adjudicatory subcommittee. We are
21 judges. We are judges. We are not advocates.

22 Finally, we must not lose sight -- in fact, Members of
23 the House solicit charitable donations for their charities
24 every day. It happens every day. Mr. Rangel fell short only
25 because he failed to get permission to do so and because he

1 used official resources in making the solicitations.

2 With respect to the failure to disclose, it is clear
3 that Mr. Rangel was sloppy. He has acknowledged that,
4 embarrassingly so. He was sloppy in his reporting and
5 recordkeeping, but this record that we have before us, Madam
6 Chairman, does not establish that his failing to disclose was
7 intentional and done for an improper purpose.

8 I look forward to our deliberation and trust that
9 justice and fairness and precedent will be our guiding star.
10 Thank you, Madam Chair.

11 The Chairwoman. Thank you.

12 Mr. Butterfield yields back. Does any other member wish
13 to ask a question?

14 Mr. Welch.

15 Mr. Welch. Thank you, Madam Chairman. Thank you,
16 ranking member and my colleagues.

17 This is an extraordinarily important case for the
18 institution and, of course, for Mr. Rangel. As complicated
19 as it was, the facts are relatively simple. There was
20 improper solicitation. Mr. Rangel should not have used his
21 frank, should not have used his staff, should not have used
22 his office to solicit funds, even though the funds being
23 solicited were for a private -- nonprofit educational
24 institution, something he has acknowledged.

25 He should not have been soliciting from entities that

1 had business before his committee in Congress where it was
2 very much -- there would be an appearance of conflict. But I
3 want to come back to that in a moment. The rent
4 stabilization was something he was not entitled to and he
5 benefited by. The taxes, obviously, were due the Federal
6 Government. He did not pay them.

7 Mr. Rangel, as I understand it, has candidly
8 acknowledged in each case that his recordkeeping was sloppy,
9 that he breached his responsibility; and his defense is
10 essentially not a defense. Because failing to do so, to meet
11 your obligation, whether it's out of accident, bad
12 recordkeeping, inattention, is not a defense to your
13 responsibilities to meet your obligations. What he is
14 saying, and counsel, as I understand it, is agreeing, that he
15 did not seek and solicit any money for his personal benefit.

16 Also, as Mr. Butterfield indicated, Members of this body
17 do solicit for educational institutions that are named after
18 themselves, a practice, I think, that should never have been
19 allowed in this Congress, but it was the manner in which Mr.
20 Rangel did it that got him into this trouble.

21 So these are serious concerns, and the process by which
22 we got here was long and complicated, and I thought it caused
23 a lot of concern on the part of the American public. But
24 that is really essentially what happened.

25 The question that we face is now sanction. And. As Mr.

1 Chandler said, we have an obligation to the institution and
2 we have an obligation to be judges and fair to Mr. Rangel.
3 The sanctions can be serious, whatever it is, and this
4 committee is going to make its recommendation and the whole
5 body is going to make its decision, and that is rare that a
6 Member of Congress is hauled before the committee and then
7 stands in front of the entire body, whether it be reprimand
8 or censure, and has read before the Congress of this United
9 States and the people of the United States a recommendation
10 of a public -- of public penalty.

11 But I would caution -- we are going to make our decision
12 on that. But I would caution those of us on this committee,
13 and all of us in Congress, that this is not the end of it for
14 the American people. Because when we have a system where, in
15 fact, corporations, individuals, contribute money to each and
16 every one of us because of who we are, because of the
17 position we occupy, and we try to make very fine, calibrated
18 distinctions between what is legitimate and what isn't, where
19 you draw that line is in the eye of the beholder.

20 And what the American people have a sense of is that
21 with the enormous amount of money in politics that the fix is
22 in one way or the other. We have to act, as a body, to do
23 everything we can to uphold the rules, regulations, and
24 ethical standards of this institution. That requires us to
25 be very strict and in adherence to those obligations and call

1 this as we see as far as Mr. Rangel is concerned and that may
2 do something to restore public credibility.

3 But it will not be the end of it. Because people who
4 are working as hard as you said, Mr. Bonner, and they are
5 trying to pay their bills and they are looking at those of us
6 who have high positions of responsibility and who receive
7 donations and where money is so big a part of the process,
8 Republican and Democrat, independent, they question whether
9 what it is this body is doing is meeting its highest goal and
10 that is work on their behalf.

11 Mr. Rangel, I want to give you one opportunity, because
12 I know this is important to you. You led an extraordinary
13 life. You were born on the wrong side of the tracks, and you
14 fought your way over to the right side of the tracks. You
15 had no opportunities when you were young. Your way out was
16 to enlist in the United States military. Then you were in a
17 brutal war. You spent the coldest winter, nearly died in
18 Korea.

19 When you came home, it was colder still. You couldn't
20 get a job because of the color of your skin. You didn't get
21 discouraged. You pushed a cart down lower Manhattan. You
22 got married. You have a wonderful marriage and a great
23 family. You earned the respect and esteem of the people of
24 Harlem.

25 You have been an inspiration to generations of people,

1 and you find yourself now having lost the prize that you
2 sought for so long, the chairmanship of the Ways and Means
3 Committee of this United States Congress. You find yourself
4 sitting where you wish you never were before the Ethics
5 Committee and you know you will soon be standing before the
6 entire Congress going back to that.

7 And I just want to give you an opportunity to express
8 whatever it is you want to say to the people of your district
9 that I know you care so much about and who looked up to you
10 for so long.

11 Mr. Rangel. Let me apologize for putting many in this
12 awkward position. And I was spared in Korea. Whatever else
13 God has given me, I am deeply appreciative of and honored
14 with the opportunity to serve. And I don't know how much
15 longer I have to live, but it always will be to try to help
16 people and to thank God for what he has given to me and
17 hopefully I would share it with others.

18 I leave the censure to sanction as it relates to all of
19 you and call for fairness and apologize for any difficulty
20 this has caused you, and I hope that no matter what you
21 decide in the sanctions that you put in that report that
22 Charles Rangel never sought any personal gain. I have been
23 overpaid in terms of the satisfaction I have gotten for
24 everything that I have ever done.

25 Please make certain that my name, notwithstanding the

1 information that some people may have, that there's no way to
2 stretch this that I was a corrupted individual or that I
3 would bring shame to me family, to my community, to this
4 Congress, and certainly to the country.

5 I can -- I will let it up to you in terms of what is
6 fair in terms of sanction, and I recognize that you cannot
7 deal with issues that's not before this committee or what the
8 press has done to me in my community and my family. is just
9 totally unfair. Counsel knows it. All of you know it. And
10 it's not your responsibility to correct them, but they will
11 continue to call me a crook and charge me with being corrupt.

12 I do hope, no matter what you decide in the sanction,
13 that you might see your way clear to see this Member that's
14 honored to serve with all of you was not corrupt and there
15 was no excuse on my behavior and there was no intent for me
16 ever to go beyond what has been given to me as a salary.

17 I never attempted to enrich myself and that I will walk
18 away, no matter what your decision, grateful that I had this
19 opportunity to serve and recognize that, had it not been for
20 God's gift in saving my life, I would not even be here today
21 to talk with you.

22 I thank you for this awkward opportunity to express
23 myself, and I apologize for any embarrassment I have caused
24 you individually or collectively as a Member of the greatest
25 institution in the country and in the world.

1 The Chairwoman. Thank you.

2 The gentleman's time has expired. There are no further
3 requests for questions.

4 Mr. Conaway. Madam Chairman, just a point of
5 clarification.

6 The Chairwoman. Yes, sir.

7 Mr. Conaway. Based on the comments of the last three
8 speakers, it appears we have moved into the deliberation
9 phase of what we are going to do. If we go back behind that
10 door, then nothing said back there will be known. And I am a
11 little confused. We are either half a loaf or a whole loaf.
12 I mean, we have had statements, one position, sanctions, and
13 I am not sure what to do with it.

14 The Chairwoman. To answer the gentleman's question, we
15 have had a number of statements made by Members throughout
16 the day.

17 At this point, we will recess to Executive Session to
18 deliberate as indicated at the beginning of the hearing.
19 Thank you.

20 [Whereupon, at 3:00 p.m., the committee proceeded in
21 Executive Session.]

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1 RPTS KESTERSON

2 DCMN SECKMAN

3 The Chairwoman. The Committee on Standards will
4 reconvene simply to report that after much deliberation, the
5 committee voted 9-1 to recommend that Mr. Rangel be censured
6 by the House and to be required to pay restitution for any
7 unpaid taxes as referenced in Exhibit 66 in our report and to
8 transmit to the full House these recommendations.

9 That concludes the committee's deliberations and
10 obligations in this matter. I would just like to say this,
11 that we have worked hard together in this matter in a way
12 that has been actually heart-wrenching, and we are satisfied
13 to be concluded.

14 And we do thank all the staff and all the Members and
15 Mr. Rangel for being here as well.

16 Unless there are further comments to be made at this
17 time, I will recognize Mr. Rangel.

18 Mr. Rangel. Madam Chairperson and Ranking Member, I
19 know how much discussion went into this decision. But as I
20 started out earlier, I hope that you can see your way clear
21 on the record to make it abundantly clear in the record to
22 indicate that any action taken by me was not with the
23 intention to bring any disgrace on the House or to enrich
24 myself personally or considered by counsel to be corrupt.
25 That would be of great help to my family and my community.

1 The Chairwoman. Thank you, Mr. Rangel.

2 And I note that our report will be on the committee Web
3 site later this evening.

4 And with that, there are no further comments. The
5 committee is adjourned, with thanks to all who participated.

6 [Whereupon, at 6:02 p.m., the committee was adjourned.]

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COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT
SANCTION HEARING
IN THE MATTER OF REPRESENTATIVE CHARLES B. RANGEL
OPENING STATEMENT OF CHAIR ZOE LOFGREN
NOVEMBER 18, 2010

CHAIR: The Committee will come to order. I would like the record to reflect that all ten members of the Committee are present. The Chair is authorized to recess the Committee at any time.

This hearing of the Committee on Standards of Official Conduct in the Matter of Representative Charles B. Rangel will come to order.

When I designated the members of the adjudicatory subcommittee to consider the Statement of Alleged Violation in this matter, I noted that the Code of Government Ethics states clearly that a “public office is a public trust.”

It was our responsibility to determine whether Representative Rangel’s conduct met that standard. It was our obligation to act impartially as finders of fact and law. The members of the subcommittee fulfilled that responsibility and met that obligation. We did so fairly, honestly, and without bias.

The subcommittee did not prejudge the allegations against Representative Rangel. Indeed, the subcommittee did not find all of the alleged counts proven.

But ultimately, we found that his conduct failed to meet the ethical standards that apply to all Members of the House. Those standards apply equally to those of us who have the privilege of representing our communities in the House for the first time and to our most senior colleagues.

On November 16, 2010, the subcommittee in the Matter of Representative Charles B. Rangel determined that 11 of the 13 counts in the Statement of Alleged Violation in this matter were proven by clear and convincing evidence.

Under Committee rules, when a subcommittee concludes that one or more counts have been proved, it becomes the responsibility of the full Committee to determine whether to recommend disciplinary action regarding Representative Rangel and, if so, what form of sanction would be appropriate.

The Committee has the option to take disciplinary action on its own initiative, or to recommend that the full House do so.

The purpose of this hearing is to allow both Representative Rangel and Committee counsel to share their views with the members of the Committee as to what sanction would be appropriate in this matter.

As we begin, it is important to bear in mind that the purpose of the ethics process is not punishment, but accountability and credibility: accountability for the respondent, and credibility for the House itself.

Where a member has been found by his colleagues to have violated our ethical standards, that member must be held accountable for his conduct.

But it is perhaps equally important that the outcome demonstrate the credibility of the House of Representatives. By investigating credible allegations of misconduct and sanctioning conduct that is proven to violate an ethical standard, we maintain the integrity of the House and the trust of the public in this institution.

The Committee may recommend a range of sanctions.

Our rules provide some general guidelines to follow in recommending a sanction. For example, a letter of reproof may be issued by the Committee on its own initiative.

Other sanctions require action by the full House. Among these, our rules indicate that reprimand is appropriate for “serious violations,” censure is appropriate for “more serious violations,” and expulsion is appropriate for the “most serious violations.”

Further, both the Committee and the House itself are guided by the precedents of the House. For example, the House has in its history expelled only five Members, three for disloyalty to the Union during the Civil War and two after they were convicted of felonies.

Our rules are clear that findings of violations alone should not be the basis for recommending a sanction. Instead, we are required to provide both the respondent and Committee counsel with an opportunity to share their views about disciplinary action.

In reaching our decision, it is imperative that we act in a fair and even-handed manner. I note that today’s hearing is open to the public. Although our deliberations will take place in executive session, our colleagues and the public will have the opportunity to hear the views of the parties regarding an appropriate sanction.

Both Representative Rangel and Committee counsel have previously been advised of the guidelines for this hearing.

As with any other phase of the disciplinary process, the respondent may seek to waive this procedural step. He is not required to be here or to address the Committee.

Representative Rangel has chosen to be here today. He has the right to share his views on an appropriate sanction with us. Should he wish to do, we will hear him out, and take his opinion into consideration in our deliberations.

The parties will each be allotted 30 minutes to present their views to the Committee. Although they are not required to do so, they may submit written briefs for the Committee's consideration. If they do so, those filings will be included in the record.

As a general rule, witnesses are not permitted in this phase. However, if a written request for a witness is made, witness testimony may be allowed by a majority vote of the Committee. Neither party has, to this point, filed a written request seeking to permit witness testimony.

After we have heard from the parties, the Committee will deliberate in executive session. We will then determine, by majority vote, what disciplinary action we will recommend.

Our decision will be announced publicly, and the basis for our conclusions will also be explained in a public report to the House.

With that, I would ask my colleague, Ranking Member Jo Bonner, whether he would like to make a brief opening statement.

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Comments by Honorable Jo Bonner

November 18, 2010

Thank you, Madam Chair, for the opportunity to offer a few words.

We are nearing the end of what has been a long, difficult and unpleasant task.

And let me speak for just a moment about what makes this so unpleasant.

I know for a fact that many a newly-elected Member of Congress – on both sides of the aisle – have been welcomed to Capitol Hill by that bigger than life, gravelly voice of Charlie Rangel... who would often be one of the first senior members to take a lowly freshman aside and say “welcome.”

So before I go any further, I would personally like to thank you, Madam Chair, Ranking Member McCaul, and the other members of the Adjudicatory Subcommittee for the work you completed earlier this week.

Special thanks are also in order for the entire Committee staff as well as those who were involved in the Investigative phase of this matter which regretfully, but unavoidably, lasted for almost two years.

Individually and collectively, we have shown what the chairwoman stated on Tuesday was our moral obligation, “*to act with fairness, led only by the facts and the law*” as we attempt to discharge our duties.

As most everyone in this room knows, the work of this committee is often mundane and almost always done out of sight.

We give advice and education to Members of Congress and their staffs on what they can – and can’t do – to be in compliance with the rules of the House.

We look into matters that have come to our attention to see whether or not a Member has crossed any inappropriate lines.

And as the American people have witnessed this week and in recent months at these rare – but not unprecedented – public proceedings, we have once again demonstrated that your elected representatives can deal with an obviously uncomfortable – *but absolutely necessary* charge that comes to us from the Constitution, itself, which requires that each House of Congress maintains the responsibility to punish its members for breaking either the rules of the House or the laws of our land, for disorderly behavior and for bringing discredit to this, the People’s House.

As an aside, I found it especially ironic – and troublesome – that on the very day that almost 100 newly-elected members of the 112th Congress were arriving in Washington for their freshman orientation, in another room only a few steps away, a man who once wielded one of the most powerful gavels in town – and at one time was one of our most highly regarded colleagues

– was showing so little regard and respect either for the Institution he has long proclaimed to love or to the people of the 15th District of New York, whom he has claimed to proudly represent for some 40 years.

Now I don't pretend to speak for Mr. Rangel's constituents. They have reelected him – often without opposition – more times than many of the members of Congress have been alive.

But while Mr. Rangel has tried repeatedly this week to claim the “*unfairness*” of what was happening to him, in my mind the most unfair thing of all was that his constituents were denied the opportunity to know these findings of fact – as determined by eight of his colleagues – four Republicans and four Democrats – before they, the voters in Harlem, had an opportunity to choose their representative earlier this year.

This process could have – and should have – been concluded earlier and as such, it is my view this committee failed the people of the 15th District of New York for this reason alone.

Before he marched out of the hearing on Monday, but even *after* the Subcommittee's conviction by “clear and convincing evidence” on Tuesday, Mr. Rangel stated that this panel should now take into account his entire 40 years of service to the Congress – as well as his military record.

Let me be clear... his distinguished military service is not up for debate, nor is it a relevant part of this deliberation, as far as I am concerned.

For when the American people bestow upon us the privilege of being their “Representative,” it is both a matter of tradition – and protocol – that the position also carries with it the title of “honorable.”

Sadly, Madam Chair, it is my unwavering view that the actions, decisions and behavior of our colleague from New York can no longer reflect either honor or integrity.

As I noted earlier, I can't speak for the people in Mr. Rangel's district.

But I do know this: for the tenants who qualified for a rent-stabilized apartment in some American city but couldn't get one because a powerful man had four... there is something wrong.

For the small businesswoman who didn't pay her taxes for 17 years and had the IRS breathing down her back, I can only imagine how she would have liked to have had a chance to make the tax code simpler – and less burdensome – for everyone else.

And for the still relatively new member of Congress from California who some time ago questioned whether or not it was appropriate to be building a “monument to me,” I will never forget the arrogance of the response: “*I would have a problem if you did it,*” Mr. Rangel said to Mr. Campbell on the House floor on July 19, 2007, “*because I don't think that you've been around long enough to have your name on something to inspire a building like this.*”

Madam Chair, it is painful for me to say this but Mr. Rangel can no longer blame anyone other than himself for the place he now finds himself... not this committee, not his staff or

family, not his accountants or lawyers, not the press... Mr. Rangel should only look into the mirror when he wants to know who to blame.

While I am not an attorney – as are most of the Members of this Committee, as well as the respondent himself – I know – we all know – that it should not take either a law degree or a legal Dictionary to tell us the difference between right and wrong.

It is now up to each one of us to determine the appropriate measure of punishment for the discredit Mr. Rangel has brought to this House.

I thank the Chairwoman for this opportunity to offer a few heartfelt observations and I yield back my time.

Congressman Michael T. McCaul (R-TX)
Ranking Member, Adjudicatory Subcommittee
Committee on Standards of Official Conduct

Remarks as Prepared for Delivery Prior to Announcement of Sanctions
November 18, 2010

Thank you, Madam Chair.

Today we have an opportunity to help restore honor and trust in this institution known as the People's House.

In my opinion, serving as a Member of Congress and as a public servant is the highest privilege, and all of us in this body should be held to a higher standard. That is why it is essential to the integrity and credibility of this institution that we hold our own members accountable to the fullest extent when they break the rules of the House. The rules are there to ensure ethical behavior and the public trust. Violating them violates the trust of the American people.

While sitting in judgment of a fellow Member is difficult, it is our duty. It sends a message to the American people that corruption in any form will not be tolerated and that that elected officials can police themselves, as the Constitution provides.

Earlier this week, those of us appointed to pass judgment on Mr. Rangel agreed unanimously on the disposition of 12 of the 13 counts against him—finding that Mr. Rangel violated multiple rules of the House of Representatives, several of which incorporate violations of federal rules and statutes.

The undisputed evidence included public statements from Mr. Rangel himself maintains that he must be held to a higher standard. That is exactly what we are attempting to do, and the American people are entitled to nothing less.

In considering the sanctions to impose against Mr. Rangel it should be taken into account that until recently he has shown little remorse or acceptance of responsibility for his actions. To the contrary, the exhibits demonstrate that on multiple occasions, he publicly stated his conduct did not violate House rules. In addition, when this hearing began on Monday Mr. Rangel chose to walk out of the proceedings.

Under House rules the Ethics Committee can consider a range of sanctions. The Committee cannot send a member to prison, as this is not a court of law. The most extreme punishment is expulsion from the House. Historically this has been reserved exclusively for members convicted of crimes. Three occurred during the Civil War. One occurred in 1980 for a bribery conviction. Another in 2002, for convictions on charges that included bribery and fraud.

Another option is Censorship. In modern times members have been censured for criminal offenses but also for violations of House rules including the receipt of improper gifts.

As we deliberate in this matter Mr. Rangel needs to be held accountable and responsible not only to this committee or to this institution but also to the American people.

I sincerely hope that at the end of the day we will be able to begin an era of transparency and accountability, a new era of ethics that will restore the credibility of this House.

With that I yield back.

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