February 12, 2004

The Honorable George V. Voinovich, Chairman
Select Committee on Ethics
United State Senate
220 Hart Senate Office Building
Washington, DC 20510

Dear Senator Voinovich:

The Council for Citizens Against Government Waste and The Project on Government Oversight respectfully asks for a Senate Select Committee on Ethics investigation of Senator Ted Stevens (R-Alaska). We request that the committee investigate alleged conflicts of interest as identified by the Los Angeles Times on December 16, 2003, concerning how the Senator made millions of dollars from investments with businessmen who received government contracts and/or other aid through his legislative efforts.

According to the Times, in 1997, Sen. Stevens purportedly began to accumulate a personal fortune by wielding his extraordinary power in the Senate. The LA Times piece details the following incidents, among others:

• “Armed with the power his committee posts give him over the Pentagon, Stevens helped save a $450-million military housing contract for an Anchorage businessman. The same businessman made Stevens a partner in a series of real estate investments that turned the senator's $50,000 stake into at least $750,000 in six years.”

• “An Alaska Native company that Stevens helped create received millions of dollars in defense contracts through preferences he wrote into law. Now the company pays $6 million a year to lease an office building owned by the senator and his business partners. Stevens continues to push legislation that benefits the company.”

• “An Alaskan communications company benefited from the senator's activities on the Commerce Committee. His wife, Catherine, earned tens of thousands of dollars from an inside deal involving the company's stock.”
Senate Rule 37 lays out requirements Senators must follow in order to avoid using their position for personal gain and creating a conflict of interest. For example, section 4 states, “No member, officer, or employee shall knowingly use his official position to introduce or aid the progress or passage of legislation, a principal purpose of which is to further only his pecuniary interest, only the pecuniary interest of this immediate family, or only the pecuniary interest of a limited class of persons or enterprises, when he, or his immediate family, or enterprises controlled by them, are members of the affected class.”

If the *Times* piece is accurate, it appears Senator Stevens has violated Senate rules. In light of these serious charges, we urge your committee to investigate the senator and to take appropriate steps to correct any abuses of the public trust.

Thank you,

Thomas Schatz  
President,  
The Council for Citizens Against Government Waste

Danielle Brian  
Executive Director,  
Project on Government Oversight