

November 12, 2008

Honorable Barbara Boxer  
Honorable John Cornyn  
Senate Select Committee on Ethics  
Hart Building, 2<sup>nd</sup> & C Sts., NE  
Room 220  
Washington, DC 20510

Re: Illegal Gifts to Sen. Coleman

Dear Messrs. Chairwoman and Vice Chairman:

This letter constitutes a complaint against Senator Norm Coleman pursuant to Rule 2 of the Rules of Procedure of the Senate Select Committee on Ethics, which authorizes any person to file a sworn complaint with the Senate Ethics Committee “alleging that any Senator...has violated a law [or] the Senate Code of Office Conduct...in the performance of his or her duty as a Member...or has engaged in improper conduct which may reflect upon the Senate.” It has come to our attention that Senator Coleman may have violated Senate Rule 35 by accepting gifts totaling \$75,000 in value, and failing to disclose said gifts in violation of Senate Rule 34 and the Ethics in Government Act, 5 U.S.C. app.101 *et seq.*

A recent civil complaint, sworn to under penalty of perjury, indicates that in May and June of 2007, a Texas businessman may have given \$75,000 in payments to Senator Coleman, through his wife, Laurie Coleman. On October 27, 2008, Paul McKim, the founder and CEO of Houston-based Deep Marine Technologies (“DMT”), filed a sworn, notarized complaint in Texas state court against a group of DMT directors. In his complaint, McKim alleged that a former controlling shareholder of DMT, Nasser Kazeminy, ordered McKim to transfer installments of \$25,000 to Coleman. The payments were disguised as payments for insurance, and were made to his wife’s employer, the Hays Companies, an insurance broker in Minneapolis. Copies of the complaint and a news account describing the complaint are attached.

Kazeminy’s relationship with Senator Coleman has been well documented; in 2004 and 2005, for instance, Kazeminy provided Coleman and his family with a private plane for travel to Paris and the Bahamas, a reported value of almost seven thousand dollars for the two trips combined. More recently, it has been reported that Kazeminy also funded Coleman’s shopping sprees at Neiman Marcus;<sup>1</sup> the dates and dollar amounts remain unknown, leaving in question whether those purchases violated Senate Rule 35.

#### *Illegal Gifts*

Senate Rule 35 prohibits any member of the Senate from knowingly accepting a gift valued at \$50 or more. Rule 35.1 (a)(1). A gift to a family member of a Member based on

---

<sup>1</sup> See K. Silverstein, “Senator Norm Coleman Gets By with a Little Help from his Friends,” *Harper’s Magazine*, Oct. 6 2008, available at <http://harpers.org/archive/2008/10/hbc-90003661>.

that individual's relationship with the Member is considered a gift to the Member "if it is given with the knowledge and acquiescence of the Member" and the Member "has reason to believe the gift was given because of the official position of the Member...." Rule 35.1(b)(2)(A).

McKim's sworn complaint alleges that DMT, at the behest of Kazeminy, made three payments of \$25,000 to Hays Companies, and that these payments were intended to be transferred to Senator Coleman's wife, for the purpose of financially assisting Senator Coleman. The Committee should investigate whether Senator Coleman or his wife received such a gift in violation of Senate Rule 35.

*Failure to Disclose*

Under the Ethics in Government Act and Senate Rule 34, Members of Congress must file an annual financial disclaimer report in which they disclose, *inter alia*, all gifts aggregating \$250 or more, and all sources of income that exceed \$200 in value. 5 U.S.C. app. 102(a)(2).

McKim's signed, notarized complaint alleges that DMT made three payments of \$25,000 to Coleman in May or June of 2007, by way of Hayes Companies. Senator Coleman did not report these payments in his 2008 financial disclosure report. The Committee should investigate whether Senator Coleman failed to report any gifts in violation of the Ethics in Government Act and Senate Rule 34.

As described above, Senator Coleman and his wife may have accepted and, subsequently, failed to report gifts worth \$75,000. These actions constitute a potential ethical violation on the part of Senator Coleman, and deserve further investigation by the Senate Ethics Committee. As the recent conviction of Senator Coleman's colleague Senator Ted Stevens demonstrates, strict enforcement of the Senate's gift rules is critical to maintaining the public trust. We request that the Committee undertake this investigation immediately.

Very truly yours,



Denise Cardinal  
Alliance for a Better Minnesota  
1600 University Ave. W.  
Suite 309B  
Saint Paul, MN 55104