

**BRADBURY FOR US SENATE
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FEDERAL ELECTION
COMMISSION
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2002 OCT 17 11:17****SMITH COMMITS TWO SERIOUS ELECTION LAW VIOLATIONS
*Bradbury Campaign Files Major Complaint with the FEC***

(Portland, OR) – Today the Bradbury campaign filed a complaint with the Federal Election Commission (FEC) regarding two serious election law violations committed by Senator Gordon Smith.

The complaint asserts that Smith broke the law in two significant ways:

- First, Smith claims he paid off an old \$1.6 million US Bank loan with “personal funds,” but in fact he simply shifted the money into another collateralized loan. Under FEC law, collateralized loans are not considered “personal funds” and are subject to additional reporting requirements. To this day, Smith has yet to properly account for his campaign’s financial transactions in mandatory reports to the Federal Election Commission.
- Second, Smith accepted an illegal contribution from a family member that exceeds campaign contribution limits by nearly \$500,000. This constitutes a gross violation of federal election law. [See attached backgrounder and formal complaint for more detailed explanation of violation]

“In an era of corporate scandals, Smith’s financial dealings are now all too familiar. Either Smith has deliberately deceived the FEC, intentionally made public statements that aren’t true or he has demonstrated utter and persistent incompetence in following the law,” said Bradbury spokesperson Neel Pender.

Continued Pender: “Perhaps this gives us a better understanding as to why Smith voted against campaign finance reform. He couldn’t live by the old rules and he’s determined to do everything he can to avoid living by the new ones.”

Bill Bradbury is running for United States Senate because he believes Oregonians deserve a Senator who will be accountable to them. Bradbury believes government should be accountable for the way it spends taxpayers’ money and he believes elected officials should be held accountable for their actions.

“This is a blatant example of how Gordon Smith fundamentally doesn’t believe he has to live by the same rules as everyone else,” said Bradbury. “He is wrong and we are confident that the FEC will hold him accountable.”

In August the Democratic Party filed an election law complaint against Smith regarding a separate violation. Gordon Smith received a \$1.6 million loan from U.S. Bank in 1995-1996 to help fund his first two bids for the United States Senate. The Democratic Party complaint alleges that the U.S. Bank loan was insufficiently collateralized and was granted with “sweetheart” terms. The complaint is currently pending.

A background sheet and a copy of the complaint submitted to the FEC by the Bradbury campaign are attached. Additional documentation is available by fax upon request.

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