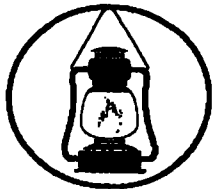


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FACT

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FOUNDATION FOR
ACCOUNTABILITY
AND CIVIC TRUST

OFFICE OF GENERAL
COUNSEL

May 31, 2016

SENSITIVE

Federal Election Commission
Office of the General Counsel
999 E Street, NW
Washington, DC 20463

Re: Complaint Against Ami Bera; Janine Bera; Babulal Bera; Kanta Bera; Ami Bera for Congress; and Jennifer May

Dear Counsel:

The Foundation for Accountability and Civic Trust (FACT) is a nonprofit organization dedicated to promoting accountability, ethics, and transparency in government and civic arenas. We achieve this mission by hanging a lantern over public officials who put their own interests over the interests of the public good. This Complaint is submitted, upon information and belief, to address violations of the Federal Election Campaign Act of 1971, as amended ("FECA"), and FEC regulations by Ami "Amerish" Bera, a member of the U.S. House of Representatives and candidate for re-election in 2016; Janine Bera, Congressman Bera's wife; Babulal Bera, Congressman Bera's father; Kanta Bera, Congressman Bera's mother; Ami Bera for Congress (Committee No. C00461061); and Jennifer May, in her official capacity as Treasurer.

The Bera Family's history of financing federal campaigns reveals an intricate donor swap shell game designed to evade contribution limits by shuffling \$240,000 around a network of Congressional campaigns.¹ Similar to the contribution reimbursement scheme that Babulal Bera recently pled guilty to perpetrating, this complex family shell game was played out through a *quid pro quo* payment/repayment system. As recent reporting reveals, the Bera Family directed a network of Democratic Congressional candidates and their family members to make contributions to Ami Bera for Congress, with the understanding that the Bera Family would provide contributions to the participating campaign committees in return. This scheme

¹ Christopher Cadelago, *Ami Bera fundraising pattern sidesteps donation limits*, SACRAMENTO BEE (May 21, 2016 8:00 P.M.), <http://www.sacbee.com/news/investigations/the-public-eye/article78992527.html>.

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effectively “extended” the value of contributions made by the Bera Family and the networked candidates and families beyond lawful contribution limits.

This revelation follows a plea bargain in *United States v. Bera*² where Congressman Bera’s father pled guilty³ to perpetrating a criminal money laundering scheme that injected nearly \$270,000 in illegal funds into Ami Bera’s campaign.⁴ Calling his father an “active fundraiser,”⁵ Congressman Bera repeatedly claimed that he knew nothing of his father’s illicit activities until approached by the U.S. Attorney’s office. However, Bera plainly contradicted himself when describing when he learned of the federal investigation and when he ceased “discuss[ing] this matter or anything else regarding [his] campaigns with [his] father.”⁶ In one instance, Bera claimed that he learned of the investigation in October 2015 and in another instance Bera claimed he learned of the investigation in April 2016.⁷

Ami Bera and Respondents must have known that certain contributions made to Ami Bera for Congress were tainted by the Bera Family’s shell game given the nature of the admitted money laundering scheme, the similar nature of the family shell game scheme, and Ami Bera’s own contradictions about his knowledge of illegal activity.⁸ Those contributions that should reasonably have been known to be a part of the shell game include contributions from Suzan Delbene, Michael Eggman, Jon Hulburd, Stacey Lawson, Patrick Murphy, Scott Peters, Steve

² *United States v. Bera*, Docket No. 2:16-cr-00097-TLN (E.D. Cal. May 9, 2016).

³ Plea Agreement, *United States v. Bera*, Docket No. 2:16-cr-00097-TLN (E.D. Cal. May 9, 2016), available at <https://www.justice.gov/usao-edca/file/850061/download>.

⁴ Denny Walsh, *Rep. Ami Bera’s father pleads guilty to election fraud*, SACRAMENTO BEE (May 10, 2016 12:49 P.M.), <http://www.sacbee.com/news/politics-government/capitol-alert/article76780417.html>.

⁵ See Walsh *supra* note 4 (quoting Ami Bera) (“Ami Bera said his father has been an ‘active fundraiser. I think he was excited his son was running for Congress.’”).

⁶ Richard Paloma, *Eggman Involved in Bera Campaign Funds Scandal*, OAKDALE LEADER (Calif.) (May 25, 2016 3:38 P.M.), <http://www.oakdaleleader.com/section/44/article/17095/>.

⁷ Compare Mae Fesai & Christianne Klein, *Congressman Ami Bera Presents Platform*, FOX40 (May 20, 2016 9:40 AM), <http://fox40.com/2016/05/20/congressman-ami-bera-presents-platform/> (quoting Congressman Ami Bera (“I first found out from the investigators—in April [2016]—and I was shocked.”)) with Walsh *supra* note 4 (“[The top prosecutor] also said Ami Bera and members of his staff were interviewed in October [2015].”).

⁸ See Cadelago *supra* note 1. The *Sacramento Bee* describes six of the most egregious donor swaps orchestrated by the Bera Family. The Bera Family orchestrated at least fourteen donor swaps using the same scheme. See Ami Bera for Congress, Delbene for Congress, Eggman for Congress, Hulburd for Congress, Stacey Lawson for Congress, Friends of Patrick Murphy, Scott Peters for Congress, Friends of Steve Pougnet, Dr. Raul Ruiz for Congress, Dr. Raul PAC, Committee to Re-Elect Loretta Sanchez, Sangisetty for Congress, Kevin Strouse for Congress, Titus for Congress, Trivedi for Congress *infra* note 9.

Pouget, Dan Roberti, Raúl Ruiz, Loretta Sanchez, Ravi Sangisetty, Kevin Strouse, Dina Titus, Manan Trivedi, their families, and their campaign committees.⁹

ALLEGATIONS

The following violations of campaign finance law are alleged upon information and belief:

- (1) Ami Bera, Janine Bera, Babulal Bera, and Kanta Bera orchestrated a massive shell game, directing other Democratic candidates and their families to make contributions in the names of other persons in violation of 11 C.F.R. § 110.4 (b)(1)(iii).
- (2) Ami Bera, Jennifer May, and Ami Bera for Congress knowingly accepted unlawful contributions in violation of 52 U.S.C. § 30122 and 11 C.F.R. § 110.4 (b)(1)(iv).

LEGAL AND FACTUAL ANALYSIS

I. Ami Bera and the Bera Family Directed Others to Make Unlawful Contributions

On separate occasions, the Bera Family instructed Democratic candidates Suzan Delbene, Michael Eggman, Jon Hulburd, Stacey Lawson, Patrick Murphy, Scott Peters, Steve Pouget, Dan Roberti, Raul Ruiz, Loretta Sanchez, Ravi Sangisetty, Kevin Strouse, Dina Titus, Manan Trivedi and their families to make contributions to Ami Bera for Congress¹⁰ with the understanding that the Bera Family would “reimburse” those contributions by making substantially equivalent contributions to the Democratic candidates’ campaign committees in the

⁹ See Ami Bera for Congress 2009 Year-End Report, Apr. 2010 Quarterly Report, July 2010 Quarterly Report, July 2011 Quarterly Report, Oct. 2011 Quarterly Report, Apr. 2012 Quarterly Report, 2012 Year-End Report; Apr. 2013 Quarterly Report, July 2013 Quarterly Report, Oct. 2013 Quarterly Report, 2013 Year-End Report, Oct. 2014 Quarterly Report, 2014 Year-End Report; Delbene for Congress Apr. 2012 Quarterly Report, Apr. 2013 Quarterly Report, Oct. 2013 Quarterly Report, July 2015 Quarterly Report; Eggman for Congress July 2013 Quarterly Report; Hulburd for Congress July 2010 Quarterly Report; Stacey Lawson for Congress Apr. 2012 Quarterly Report; Friends of Patrick Murphy Oct. 2011 Quarterly Report, July 2013 Quarterly Report, 2014 Year-End Report, July 2015 Quarterly Report; Scott Peters for Congress Apr. 2013 Quarterly Report, July 2013 Quarterly Report, Apr. 2015 Quarterly Report; Friends of Steve Pouget 2009 Year-End Report; Dr. Raul Ruiz for Congress Apr. 2012 Quarterly Report, Oct. 2013 Quarterly Report, July 2014 Quarterly Report, 2014 Year-End Report; Dr Raul PAC 2014 Post-General Report; Committee to Re-Elect Loretta Sanchez Oct. 2009 Quarterly Report, 2011 Year-End Report; Sangisetty for Congress Apr. 2010 Quarterly Report, July 2010 Quarterly Report; Kevin Strouse for Congress July 2013 Quarterly Report; Titus for Congress Oct. 2011 Quarterly Report, Oct. 2013 Quarterly Report; Trivedi for Congress July 2010 Quarterly Report.

¹⁰ See Ami Bera for Congress, Delbene for Congress, Eggman for Congress, Hulburd for Congress, Stacey Lawson for Congress, Friends of Patrick Murphy, Scott Peters for Congress, Friends of Steve Pouget, Dr. Raul Ruiz for Congress, Dr. Raul PAC, Committee to Re-Elect Loretta Sanchez, Sangisetty for Congress, Kevin Strouse for Congress, Titus for Congress, Trivedi for Congress *supra* note 9.

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days to follow.¹¹ This practice allowed the Democratic candidates and their families to “extend” their contribution limits by several multiples through the contributions made by the Bera Family. In effect, a single Democratic candidate’s family members were able to contribute as much as five times the lawful limit to that Democratic candidate’s campaign committee.¹²

Federal law and FEC regulations specifically prohibit anyone from “[k]nowingly help[ing] or assist[ing] any person in making a contribution in the name of another.” 11 C.F.R. § 110.4 (b)(1)(iii). A person violates the prohibition on making a contribution in the name of another when he or she “giv[es] money or anything of value, *all or part of which* was provided by another person (the true contributor).” 11 C.F.R. § 110.4 (b)(2)(i) (emphasis added). *See* FEC Advisory Op. 1996-05 (Kim) (describing the FEC’s response to revelations in U.S. District Court that Samsung America had orchestrated a massive shell game to “[k]nowingly help or assist” its employees in making contributions in their own names using funds provided by the corporation). Further, FEC regulations specifically limit the amount that individuals may contribute to campaign committees. 11 C.F.R. § 110.1 (b).

On March 29, 2010, Aruna Sangisetty and Koti Sangisetty, the candidate’s parents, both made maximum contributions for the primary and general elections to Ami Bera for Congress.¹³ A single day later, Ami Bera, Babulal Bera, and Kanta Bera made contributions to Sangisetty for Congress; completing this round of the shell game.¹⁴ In effect, the Sangisetty family contributions to Sangisetty for Congress were made in the names of various members of the Bera Family with the Bera Family’s “knowing help or assist[ance].”¹⁵

¹¹ *See* Ami Bera for Congress, Delbene for Congress, Eggman for Congress, Hulburd for Congress, Stacey Lawson for Congress, Friends of Patrick Murphy, Scott Peters for Congress, Friends of Steve Pougnet, Dr. Raul Ruiz for Congress, Dr. Raul PAC, Committee to Re-Elect Loretta Sanchez, Sangisetty for Congress, Kevin Strouse for Congress, Titus for Congress, Trivedi for Congress *supra* note 9.

¹² *See, e.g.,* Scott Peters for Congress Apr. 2013 Quarterly Report, July 2013 Quarterly Report. Ami Bera, Babulal Bera, Janine Bera, and Kanta Bera each made maximum contributions for the primary and general elections to Scott Peters for Congress. The individual contribution limit per election during the 2013 cycle was \$2,600. *Contribution Limits 2013-14*, FEC (2013), <http://www.fec.gov/info/contriblimitschart1314.pdf>. These Bera Family contributions to Scott Peters for Congress plus one maximum contribution to Scott Peters for Congress made by one of the participating members of Scott Peters’ family effectively equals a contribution to Scott Peters for Congress valued at five times the 2013-2014 contribution limit.

¹³ *See* Ami Bera for Congress Apr. 2010 Quarterly Report.

¹⁴ *See* Sangisetty for Congress Apr. 2010 Quarterly Report.

¹⁵ 11 C.F.R. § 110.4 (b)(1)(iii). *See* Cadelago *supra* note 1.

Democratic candidate Patrick Murphy and his family also took part in the scheme to “extend” their contributions beyond lawful contribution limits by using the Bera Family’s shell game system.¹⁶ On March 5, 2013, Leslie Murphy, the candidate’s mother, made maximum contributions for the primary and general elections to Ami Bera for Congress.¹⁷ Two weeks later, Babulal Bera, who has since been convicted of criminal campaign finance violations,¹⁸ and Kanta Bera, perhaps having exerted undue influence over Ms. Murphy because of their shared status as the parents of Democratic candidates, fulfilled their promise and “extended” Ms. Murphy’s contributions by writing checks to Friends of Patrick Murphy; completing this round of the shell game.¹⁹ Again, the Murphy family’s contributions to Friends of Patrick Murphy were made in the names of various members of the Bera Family,²⁰ with the Bera Family’s “knowing help or assist[ance].”²¹

Ami Bera was fully aware of the end result of his actions. In many instances, checks to the Democratic candidates were written in his name. Though he has claimed ignorance of the illegal activity described in *United States v. Bera*, it is implausible and entirely foreign to logic that a son who describes his father as an “active fundraiser”²² for his campaign would be in the dark about illegal contributions flowing to his campaign. In the same vein, there is a clear pattern of Ami Bera and Babulal Bera, as well as Janine Bera and Kanta Bera, making contributions to the same candidates with the expectation that substantially equivalent contributions would flow back to Ami Bera for Congress.²³ Whatever Ami Bera claims he did or did not know about his

¹⁶ See Cadelago *supra* note 1.

¹⁷ See Ami Bera for Congress Apr. 2013 Quarterly Report.

¹⁸ See *Bera*, Docket No. 2:16-cr-00097-TLN.

¹⁹ See Friends of Patrick Murphy Apr. 2013 Quarterly Report.

²⁰ See Friends of Patrick Murphy Apr. 2013 Quarterly Report.

²¹ 11 C.F.R. § 110.4 (b)(1)(iii).

²² See Cadelago *supra* note 1.

²³ See Paloma *supra* note 6. Other commentators have also noted the extreme unlikelihood that Ami Bera did not know the extent of his family’s machinations.

“Kathay Feng, executive director of California Common Cause, said the fact that Bera and his father were making donations to the same candidates leads her to question whether the son was cognizant, or should have been, of his father’s other campaign finance behavior. ‘While I can’t say that a candidate should be aware of everything that happens, certainly when family members have done this as a

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father's criminal conviction in *United States v. Bera*, it is clear Ami Bera and the Bera Family effectively made contributions in the name of other persons.

The Bera Family used their shell game system to "extend" the value they were able to contribute to Ami Bera for Congress by convincing Thomas Murphy, the father of Democratic candidate Patrick Murphy, to participate.²⁴ On September 26, 2011, Janine Bera made maximum contributions for the primary and general elections to Friends of Patrick Murphy and instructed the Democratic Candidate's family to complete the shell game by contributing the value of her contribution to Ami Bera for Congress.²⁵ Three days later, Thomas Murphy, directed equivalent contributions to be made to Ami Bera for Congress; completing this round of the shell game.²⁶ Effectively, Janine Bera's contributions to Ami Bera for Congress were made in the name of Thomas Murphy.

Ami Bera and the Bera Family used Democratic candidate Scott Peters and his family to "extend" the Bera Family's contribution limits and contribute in excessive amounts to Ami Bera for Congress. This round of the shell game began on June 20, 2012 with Ami Bera contributing the maximum amount to Peters' primary and general election campaigns.²⁷ Five days later, Scott Peters and his wife, Lynn Gorguze, both made maximum contributions to Ami Bera for Congress.²⁸ The process repeated itself as recently as March 31, 2015. Babulal Bera and Kanta Bera both made maximum contributions for the primary and general elections to Scott Peters for Congress.²⁹ Ten days later, Lynn Gorguze and her mother, Gloria Gorguze, directed identical contributions to Ami Bera for Congress.³⁰ This time, Scott Peters did not write the check personally; instead, his mother-in-law signed for the reimbursement contributions.³¹ Again,

consistent pattern in the past, I think it raises questions about the candidate's knowledge in the instance of his dad."

Cadelago, *supra* note 1 (quoting Kathay Feng)(emphasis added)

²⁴ See Cadelago *supra* note 1.

²⁵ See Friends of Patrick Murphy Oct. 2011 Quarterly Report.

²⁶ See Ami Bera for Congress Oct. 2011 Quarterly Report.

²⁷ See Scott Peters for Congress July 2012 Quarterly Report.

²⁸ See Ami Bera for Congress July 2012 Quarterly Report.

²⁹ See Scott Peters for Congress Apr. 2015 Quarterly Report.

³⁰ See Ami Bera for Congress July 2015 Quarterly Report.

³¹ See Cadelago *supra* note 1.

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effectively, Bera Family contributions to Ami Bera for Congress were made in the names of members of Scott Peters' family.

II. Ami Bera, Ami Bera for Congress, and Jennifer May Accepted Unlawful Contributions

Ami Bera, Ami Bera for Congress, and Jennifer May, in her official capacity as Treasurer, knowingly accepted contributions they knew to be unlawful because of their participation in the Bera Family shell game. In fact, one of the Democratic candidates suggested that the unlawful "donations were organized at the campaign staff level,"³² imputing further knowledge to the Bera campaign. No matter how the actual transactions were conducted, Ami Bera's campaign was the direct recipient of contributions from other campaign committees that were implicated in the Bera Family's shell game system.

Federal law and FEC regulations prohibit candidates, their campaign committees, and, by extension, their Treasurers of record, from "[k]nowingly accept[ing] a contribution made by one person in the name of another." 52 U.S.C. § 30122; 11 C.F.R. § 110.4 (b)(1)(iv). Campaign committees that receive or become aware of unlawful contributions are required to disgorge such contributions. 11 C.F.R. § 103.3 (b)(1).

Given the complex extent of the Bera Family shell game, the participation and orchestration by Ami Bera and three other members of his family, the conviction of Babulal Bera for incredibly similar criminal campaign finance violations, and the Bera Family's concerted effort to direct hundreds of thousands of dollars to Ami Bera for Congress, it is clear that Ami Bera, the Bera Family, and the Bera campaign knowingly accepted unlawful contributions. Any other explanation is plainly offensive to reason and would turn a blind eye to the facts presented.

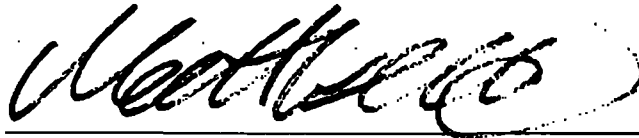
³² See Cadelago *supra* note 1 (quoting Ravi Sangisetty).

CONCLUSION

Based upon the foregoing, the Foundation for Accountability and Civic Trust requests that the Federal Election Commission investigate these allegations and impose all appropriate and necessary penalties, including the disgorgement of all illegal and unlawful contributions.

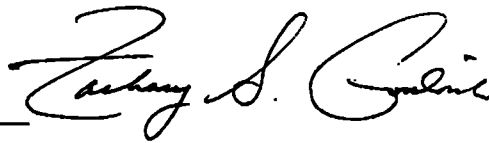
Sworn to pursuant to 18 U.S.C. § 1001.

Respectfully submitted,



Matthew G. Whitaker, Executive Director
Foundation for Accountability & Civic Trust
1717 K Street NW, Suite 900
Washington, D.C. 20006

The foregoing instrument was subscribed and sworn before me on May 31, 2016.



Notary Public

My commission expires 2/19/2018

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