

Speaker Gingrich Admits

By John E. Yang
Washington Post Staff Writer

After more than two years of steadfast denials of wrongdoing, House Speaker Newt Gingrich (R-Ga.) admitted yesterday that he broke House rules and "brought down on the people's house a controversy which could weaken the faith people have in their government."

With a one sentence affidavit, Gingrich admitted to the charges in the House ethics committee's 22-page "Statement of Alleged Violation," the House version of an indictment, issued yesterday. It said Gingrich failed to ensure that charity-financed projects—a college course he taught and a televised town hall meeting—would not violate federal tax law. And then, the statement said, he gave the panel untrue information as it investigated those projects.

The committee of five Republicans and five Democrats will soon meet to recommend to the House a punishment, which could range from a denial of any of his rights as a lawmaker to expulsion from Congress. It was unclear whether the committee would meet before Jan. 7, the day Gingrich hopes to become the first Republican reelected House speaker since 1929. When the committee's recommendation reaches the House, Democrats will likely try to make it stricter to strip him of his speakership. That effort is likely to fail.

Yesterday's choreographed two-step of the charge from the ethics panel's investigative subcommittee and the speaker's admission was the result of week-long negotiations between James M. Cole, the Washington white-collar attorney the ethics committee hired, and J. Randolph Evans, the Atlanta legal malpractice attorney who has headed the speaker's ethics team for the last week.

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House Ethics Violation

The resulting language did not find that the college course and televised town hall meeting violated federal tax law, as Democrats had charged, but said that Gingrich should have consulted a tax lawyer. In addition, the charges did not say if Gingrich's submission of erroneous information was intentional. That allowed the speaker to readily admit to the charges.

The admission of any kind of misconduct was a stunning reversal for Gingrich, whose career was propelled by his crusade against the "corrupt" Democrats and his single-handed campaign that led House Speaker Jim Wright (D-Tex.) to resign in disgrace. It also was a complete turnabout from Gingrich's repeated argument that the charges lodged with the ethics committee were nothing more than a politically motivated attempt to ruin him.

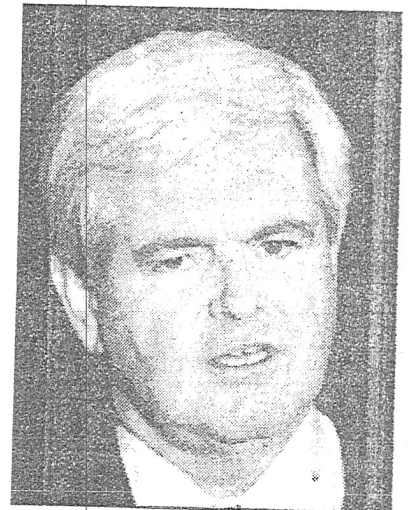
His statement was contrite and humbled, a stark contrast from the determined and self-

assured Gingrich who dominated Washington two years ago after leading the GOP to its first House majority in 40 years. "I was overconfident, and in some ways, naive," Gingrich said in his statement. "I brought down on the people's house a controversy which could weaken the faith people have in their government. . . . I accept responsibility for this, and I deeply regret it."

Gingrich was at his home in Marietta, Ga., yesterday and did not appear in public.

By admitting to the charges, in what is essentially a plea bargain, Gingrich avoids a public, trial-like hearing into them. It does not, however, end the committee's investigation of him. The committee is still looking into complaints that Gingrich received improper gifts, support and contributions from GOPAC, a political action committee he once headed.

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FILE PHOTO

SPEAKER NEWT GINGRICH
"I did not intend to mislead"

In addition, the Internal Revenue Service is conducting a probe of whether the use of tax deductible, charitable contributions to finance Gingrich's college course violated federal tax law. The tax code prohibits the use of charitable contributions to benefit private interests or to further a partisan political effort.

Gingrich still must face the judgment of his House Republican colleagues, some of whom had said they would be wary of voting for him to be speaker if the ethics case was not resolved.

In personal telephone calls yesterday, Gingrich solidified the support of two wavering House Republicans.

Rep. Peter T. King (N.Y.) said he was satisfied there was no "intentional misconduct . . . It does not rise to a serious enough level to deny him from being reelected speaker."

"The findings make me feel comfortable voting for the speaker, and I will do so enthusiastically," said Rep. Christopher Shays (Conn.).

House GOP leaders yesterday sought to accentuate the positive. "Newt's willingness to acknowledge an unintentional mistake is refreshing," House Republican Conference Chairman John A. Boehner (R-Ohio) wrote in a letter to GOP lawmakers. "While the mistake is regrettable, it's not significant enough to deny his continuing service as speaker."

They are mounting an all-out media offensive to portray this as a Gingrich victory. Aides distributed statements from the leaders even as the charges against Gingrich were given to reporters. Rep. Susan Molinari (R-N.Y.) went before television cameras to dismiss the entire affair as an "arcane area of tax law." Boehner, House Majority Leader Richard K. Arney (R-Tex.) and House Majority Whip Tom DeLay (R-Tex.) are to appear on network talk shows today. Arney spent much of yesterday on the telephone urging House Republicans speak out in support of Gingrich.

House Democrats, meanwhile, emphasized Gingrich's admission of guilt and called on him to give up the speakership. "This doesn't deserve to go softly in the night," Rep. David R. Obey (D-Wis.) said. "For the good of the institution, he ought to step aside."

House Minority Whip David E. Bonior (D-Mich.), Gingrich's chief antagonist, declared of Gingrich: "Anyone who will lie to the Congress of the United

States, a committee of the Congress, who is engaged for seven years for tax fraud . . . is not deserving of the speakership."

The investigative subcommittee found that Gingrich violated a House rule governing lawmakers' conduct: "A Member . . . of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives."

The panel of two Republicans and two Democrats adopted the charges on

a 3 to 0 vote. Rep. Nancy Pelosi (D-Calif.) was in California and participated by telephone. House rules prohibit a lawmaker who is not present from voting. "Ms. Pelosi consents to the action that was taken today," said Rep. Benjamin L. Cardin (Md.), the subcommittee's top Democrat.

Specifically, the panel found that Gingrich erred in not seeking legal advice about the financing of two projects.

One was a televised town hall meeting featuring Gingrich that was developed by GOPAC and later funded and run by the Abraham Lincoln Opportunity Foundation, a charitable organization that had been established to benefit disadvantaged inner-city youth.

While the tax law expert hired by the ethics committee said that activity violated the charity's tax-exempt status, the expert retained by Gingrich said it did not. But both agreed that "had they been consulted about this type of activity prior to its taking place, they would have advised that it not be conducted."

The second project was his college course, "Renewing American Civilization," which he taught at two Georgia colleges from fall 1993 to winter 1995. It was financed by three tax-exempt groups: the Kennesaw State College Foundation; the Progress and Freedom Foundation, a conservative think tank run by Gingrich allies, and Reinhardt College.

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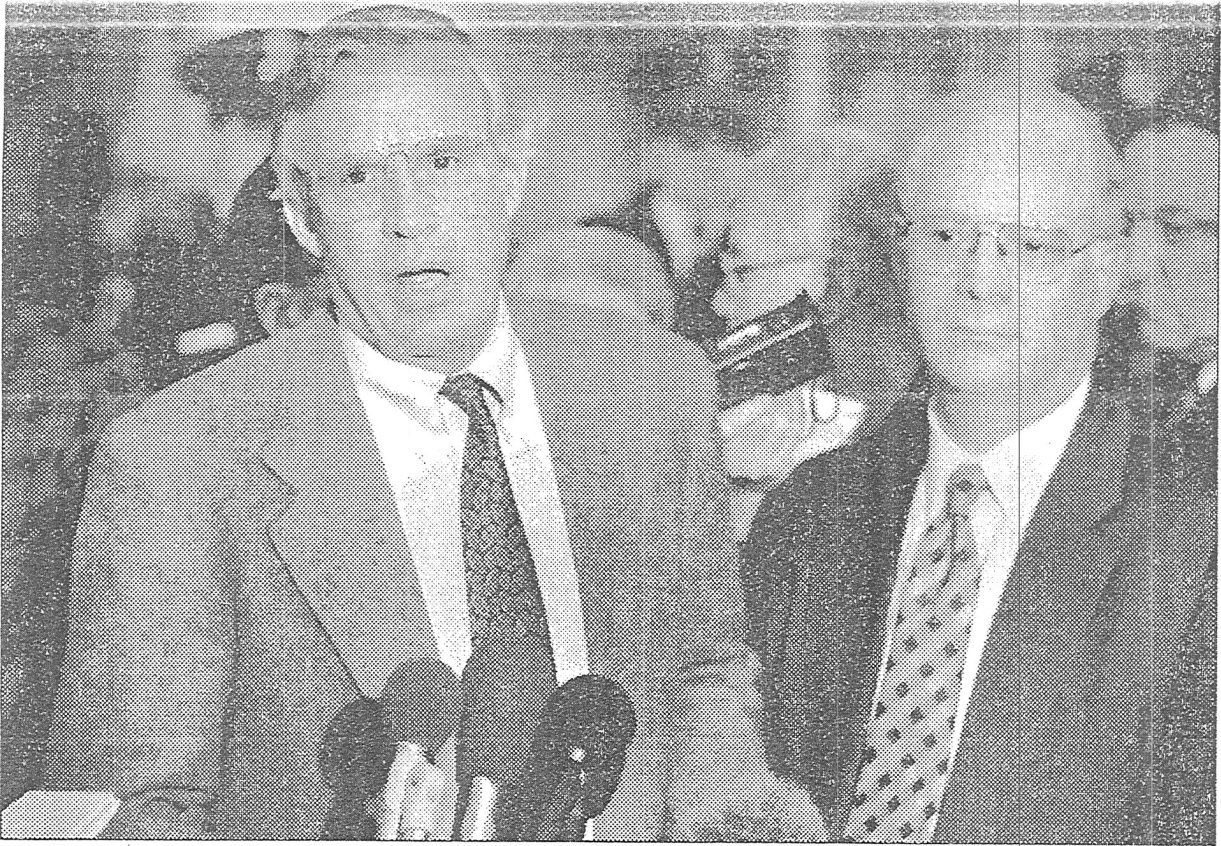
In his statement, Gingrich acknowledged he should have been more careful. "I did not seek legal counsel when I should have to ensure clear compliance with all applicable laws and that was wrong," he said. "I did not seek personal gain, but my actions did not reflect creditably on the House."

A House official close to Gingrich, though, claimed victory in the fact that the panel did not rule on whether those activities violated federal tax law. "They didn't say whether there was or wasn't a violation, but clearly they didn't say there was a violation," the official said.

The subcommittee also found that Gingrich provided the ethics committee with information that, "as Mr. Gingrich should have known, was inaccurate, incomplete and unreliable."

A Dec. 8, 1994, letter to the committee from Gingrich and a March 27, 1995, letter to the panel from Gingrich attorney Jan Baran both denied that GOPAC had any connection with the college course even though the political action committee and its officials were involved in developing and administering it.

Gingrich acknowledged in his statement that he had been inattentive, but not intentionally deceptive. "I did not manage the effort intensely enough to thoroughly direct or review information being submitted to the committee on my behalf," he said. "In my name and over my signature, inaccurate, incomplete and unreliable statements were given to the committee, but I did not intend to mislead the committee. I accept



BY MARK FINKENSTADT FOR THE WASHINGTON POST

Ethics investigative subcommittee Chairman Porter J. Goss (R-Fla.), left, and ranking Democrat Benjamin L. Cardin.

responsibility for this, and I deeply regret it.”

Last week, Rep. John Linder (R-Ga.), a Gingrich ally, blamed the mistakes on Baran, who had dropped Gingrich as a client in the ethics case the week before.

Yesterday's actions capped two weeks of intense—and often bizarre—activity. After dragging on for more than two years, the pace of the probe accelerated dramatically, beginning with five days of meetings of the investigative subcommittee. Members heard from Gingrich, who was accompanied by Baran, and spent four hours taking testimony from a tax lawyer the speaker had hired. Then came the disclosures that Baran had told Gingrich he could no longer represent him before the ethics committee and that the speaker had given untrue information to the committee.

The ethics investigation has loomed over Gingrich since before Republicans took the House majority and he became speaker in 1995. It has served as the backdrop for much of the partisan squabbling of the last two years, as Democrats—frustrated by their minority status and angry at Gingrich for his role in bringing down Wright in 1989—sought to embarrass Gingrich and harass Republicans on the committee.

The investigation was triggered by an ethics complaint filed Sept. 7, 1994, by former representative Ben Jones (D-Ga.), who was running against Gingrich.

Jones argued that the use of tax deductible charitable contributions to finance Gingrich's college course violated federal tax law because the course was intended to further a partisan political agenda.

In Dec. 6, 1995, the House Committee on Standards of Official Conduct said the allegation was worthy of “further inquiry” and hired Cole. On Sept. 26, the committee voted to expand its probe and directed Cole to investigate whether Gingrich provided “accurate, reliable and complete information” to the panel.

Staff writer Michael Weisskopf contributed to this report.