

# CREW

citizens for responsibility  
and ethics in washington

December 7, 2006

Jeff S. Jordan  
Supervisory Attorney  
Complaints Examination &  
Legal Administration  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

MUR #

5890

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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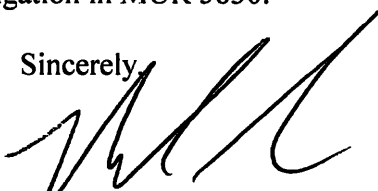
Re: MUR 5830

Dear Mr. Jordan:

I am writing to bring to the Commission's attention certain public statements Mauricio Claver-Carone made with regard to MUR 5830. In an article entitled "Complaint Filed Against Cuban Lobbying Group" which appeared in the November 29, 2006 issue of the *Miami Herald* (attached), Mr. Claver stated that the US-Cuba Democracy PAC has paid "a law firm between \$15,000 and \$20,000" to "refut[e] . . . each allegation" in MUR 5676 and ADRs 333 and 182. Unfortunately, even a cursory review of the US-Cuba Democracy PAC's FEC reports shows that the PAC has never reported the payment of any such legal fees. With the exception of the \$15,262.50 payment to Steptoe & Johnson that the PAC made to moot the complaint in MUR 5676, the US-Cuba Democracy PAC has never reported any disbursements for legal fees. Similarly, with the exception of the \$15,262.50 owed to Steptoe & Johnson for over two years, the US-Cuba Democracy PAC has never reported any outstanding debt owed to a lawyer or law firm as required by 11 C.F.R. §104.3(d) and 11 C.F.R. §104.11.

Clearly Mr. Claver-Carone's statement to the *Miami Herald* cannot be reconciled with the US-Cuba Democracy PAC's FEC reports. Either the PAC has failed to disclose \$45,000 to \$60,000 in disbursements and/or debts for legal services in violation of 2 U.S.C. §434(b)(4) and (8) or Mr. Claver-Carone provided inaccurate information to the *Miami Herald* about the PAC's legal expenses. If the US-Cuba Democracy PAC failed to disclose legal fees and/or debts of \$45,000 to \$60,000 in violation of 2 U.S.C. §434(b)(4) and (8), that violation should be investigated and penalized as part of the Commission's handling of MUR 5830. If, however, Mr. Claver-Carone deliberately misled the *Miami Herald* about the PAC's legal expenses, the Commission should take that into account in evaluating the veracity of any statements Mr. Claver-Carone makes to the Commission in the course of its investigation in MUR 5830.

Sincerely,



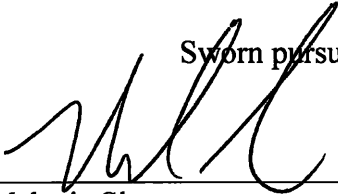
Melanie Sloan  
Executive Director

Encl.

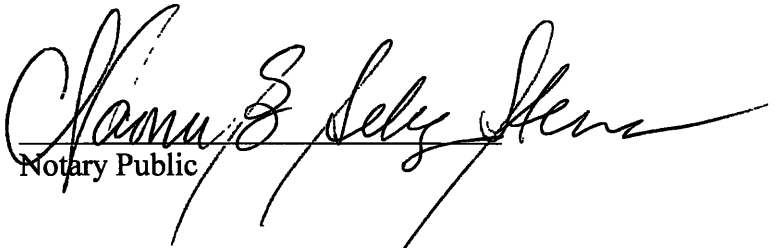
**Verification**

Citizens for Responsibility and Ethics in Washington, acting through Melanie Sloan, hereby verifies that the statements made in the attached Complaint are, upon information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.

  
\_\_\_\_\_  
Melanie Sloan

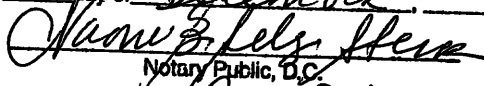
Sworn to and subscribed before me this 7th day of December, 2006.

  
\_\_\_\_\_  
Notary Public

NAOMI SELIGMAN STEINER  
NOTARY PUBLIC DISTRICT OF COLUMBIA  
My Commission Expires June 30, 2011

District of Columbia: SS

Subscribed and sworn to before me, in my presence,  
this 7 day of December

  
\_\_\_\_\_  
Notary Public, D.C.

My commission expires June 30, 2011

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Posted on Wed, Nov. 29, 2006

## U.S. AND CUBA

# Complaint filed against Cuban lobbying group

A watchdog group in Washington has filed a complaint against a Cuban-American lobbying group, which called the allegation a 'political hit job.'

By PABLO BACHELET  
pbachelet@MiamiHerald.com

**WASHINGTON** - A watchdog group has alleged a Cuban-American lobbying organization that favors tougher sanctions against Cuba broke Federal Election Commission regulations by having illegal links to a nonprofit group.

But the U.S.-Cuba Democracy Political Action Committee denied the allegations and noted that the watchdog Citizens for Responsibility and Ethics in Washington, which has filed several complaints against it, has received donations from groups opposed to U.S. sanctions on the island.

Citizens for Responsibility and Ethics filed a complaint in September asserting that several members of the nonprofit Cuba Democracy Advocates Inc. had illegal links to the PAC, which is supposed to operate independently of any other organization.

Leopoldo Fernández Pujals founded two nonprofit U.S. organizations in 2000 to oppose the communist government, using some of the proceeds of his \$366 million sale of Spanish fast-food chain Telepizza in 1999, according to the FEC complaint.

Those two organizations eventually became Cuba Democracy Advocates, and Fernández appointed Mauricio Claver-Carone as director and Miami-Dade car dealer Gus Machado as treasurer. Machado then went on to create the PAC and Claver-Carone became its Washington director.

Claver-Carone and Machado, according to the complaint to the FEC, have "day-to-day operational control" of both the PAC and Cuba Democracy Advocates.

## THE RULES

According to FEC rules, a connected PAC can only raise money from its affiliated organization, but the U.S.-Cuba Democracy PAC has raised \$125 million from 3,000 individuals, mostly members of the Cuban-American community.

The group has donated to dozens of lawmakers on both sides of the aisle and is widely seen as successfully influencing congressional votes on Cuba sanctions.

Claver-Carone denied the two organizations had done anything wrong, noting that the PAC is run by a 26-member board and a seven-member executive committee, most of whom have no connection with Cuba Democracy Advocates.

"So long as majority of board members do not cross over, there's absolutely no problem whatsoever," he told The Miami Herald. "Of the 26 board members, only one crosses over, and that's me."

Claver-Carone said the latest complaint is the fourth filed by Citizens for Responsibility and Ethics against his organization, constituting what he called a "political hit job."

## 'AGAINST US'

"They're getting money from people that advocate against us," he said, citing a \$75,000 donation to the watchdog group by the ARCA Foundation, a family-owned foundation, which says on its website that it pursues more social justice and equity. The ARCA group also has donated to groups like the Latin America Working Group and the Lexington Institute -- all opposed to U.S. policies on Cuba.

The FEC decided against prosecuting the group's previous allegations. Claver-Carone says refuting each allegation means paying a law firm between \$15,000 and \$20,000

Melanie Sloan, the executive director of Citizens for Responsibility and Ethics, denied the group is targeting the Cuba Democracy PAC for political reasons.

"We believe they should follow FEC law," she said.

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