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April 12, 2016

The Honorable Edith Ramirez
Chairwoman
Federal Trade Commission
600 Pennsylvania Ave. NW
Washington, DC 20580

Dear Chairwoman Ramirez:

We write to ask that you review the charitable status of the Clinton Foundation (hereinafter “the Foundation”). The Foundation maintains that former Secretary of State Hillary Clinton “..was not involved in the work of the Foundation when she was Secretary of State.” However, Secretary Clinton used a private email server to conduct official business during her tenure at the State Department and media reports suggest that the Justice Department is now investigating a link between her official actions and Foundation activity. The Federal Trade Commission (FTC) has a history of investigating “sham” charities for false and deceptive statements and should initiate a review of the Foundation.¹

First, the Foundation claims that it spends money “directly on our programs,..”² However, a media report advised that only “15 percent of monies spent went towards “direct program expenditures” at the Foundation in 2013.³ The FTC’s own website encourages the public to review the trustworthiness of charities using tools such as Charity Navigator.⁴ Incredibly, Charity Navigator had the Foundation on a “Watch List” until December 2015 and is unable to

¹ Federal Trade Commission, FTC Announces Operation False Charity Law Enforcement Sweep, May 20, 2009 available at: <https://www.ftc.gov/news-events/press-releases/2009/05/ftc-announces-operation-false-charity-law-enforcement-sweep>

² The Clinton Foundation, How We Work, available at: <https://www.clintonfoundation.org/about>

³ Liz Peek, Investors Should Protest Funds To Clinton Foundation, The Fiscal Times, May 20, 2015, available at: <http://finance.yahoo.com/news/investors-protest-funds-clinton-foundation-093000847.html>

⁴ Federal Trade Commission, Charity Scams, available at: <https://www.consumer.ftc.gov/features/feature-0011-charity-scams>

rate the Foundation because of its “atypical business model.”⁵ The Better Business Bureau determined in 2013 that the Foundation did not meet “its transparency and accountability requirements.”⁶ This lack of transparency raises issues of deception and false claims.

Second, reports surfaced last Spring that the Foundation failed to report millions of dollars in grants from foreign governments between 2010 and 2012 while Hillary Clinton was Secretary of State.⁷ Acting Foundation CEO Maura Pally admitted that “...our error was that government grants were mistakenly combined with other donations”⁸ and former President Clinton said the omissions were “just an accident.”⁹ However, the Foundation apparently did report such information prior to 2010. The Foundation’s failure to report the foreign donations, which corresponded with Secretary Clinton’s use of a private email server at the State Department, raises an appearance of impropriety deserving of further scrutiny.

Third, media reports indicate that the Federal Bureau of Investigation (FBI) has expanded its investigation “to look at whether the intersection of Clinton Foundation work and State Department business may have violated public corruption laws...”¹⁰ The Justice Department has even granted “immunity” to Bryan Pagliano, a former State Department staffer who “set up her (Secretary Clinton) New York home server in 2009...”¹¹ These are troubling developments. They call into question the legitimacy of the Foundation’s work as it operates under a cloak of philanthropy.

The Commission has a duty to investigate the Foundation’s lack of transparency based on its own pledge “to prevent business practices that are...deceptive or unfair to consumers” and the compelling public interest involved.¹² The existence of a federal criminal probe should alarm the Commission, which initiates civil actions requiring a lower standard of proof.¹³ These allegations may stifle the ability of other organizations associated with current or former public officials to advance charitable causes by undermining public confidence in such institutions. Finally, the FTC has warned that “in these difficult economic times, Americans want to make every contribution count.”¹⁴

⁵ Charity Navigator, Bill Hillary & Chelsea Clinton Foundation, available at:

<http://www.charitynavigator.org/index.cfm?bay=search.profile&ein=311580204#.VuI6M00UWJB>

⁶ Liz Peek, Investors Should Protest Funds To Clinton Foundation, The Fiscal Times, May 20, 2015, available at: <http://finance.yahoo.com/news/investors-protest-funds-clinton-foundation-093000847.html>

⁷ Rosalind S. Helderman, Clinton Foundation will amend tax filings to reflect foreign giving, WASH. POST., April 23, 2015.

⁸ Maura Pally, A Commitment to Honesty, Transparency, and Accountability, April 26, 2015, available at <https://www.clintonfoundation.org/blog/2015/04/26/commitment-honesty-transparency-and-accountability>.

⁹ Jeremy Diamond, Bill Clinton On Clinton Cash Case: It Won’t Fly, May 6, 2015, available at <http://www.cnn.com/2015/05/06/politics/bill-clinton-cash-book-case-wont-fly/index.html>.

¹⁰ Valerie Richardson, Pagilano’s Immunity Deal Could Indicate Grand Jury Probe Into Clinton Email Server, WASH. POST., March 3, 2016.

¹¹ Id.

¹² <https://www.ftc.gov/about-ftc>

¹³ Liz Peek, Investors Should Protest Funds To Clinton Foundation, The Fiscal Times, May 20, 2015, available at: <http://finance.yahoo.com/news/investors-protest-funds-clinton-foundation-093000847.html>

¹⁴ <https://www.ftc.gov/news-events/press-releases/2009/05/ftc-announces-operation-false-charity-law-enforcement-sweep>

Consistent with the FTC's mission and precedent, we request that you review the above allegations to determine if the Foundation is a "sham" charity. Please respond within thirty days of receipt of this correspondence. Thank you for your attention.

Sincerely,



Marsha Blackburn
Member of Congress



Bob Goodlatte
Member of Congress



Bill Flores
Member of Congress



Kevin Cramer
Member of Congress



Todd Rokita
Member of Congress



Mo Brooks
Member of Congress



Diane Black
Member of Congress



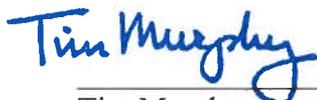
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Barry Loudermilk
Member of Congress



Phil Roe
Member of Congress



Tim Murphy
Member of Congress



Tom Marino
Member of Congress



Louie Gohmert
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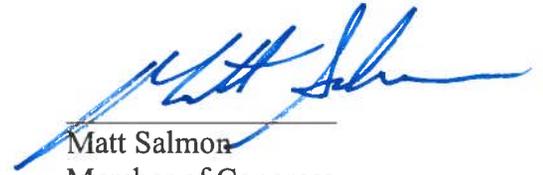
Randy Weber
Member of Congress



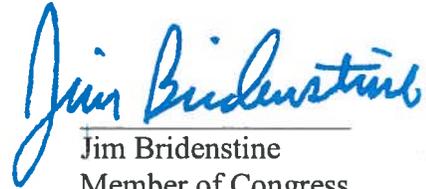
Renee Ellmers
Member of Congress



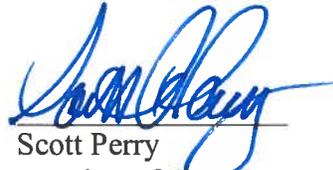
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Matt Salmon
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Member of Congress