

My donations have included grants to encourage hospice and AIDS programs to work together.
and grants to provide grassroots training to immigrant communities.

5. Since the early 1990's, I have engaged in significant political activity, working with and financially supporting a variety of individuals and organizations. From the 1992 election cycle through the 2002 cycle, I have donated millions of dollars to Democratic candidates and political committees and progressive political organizations. All of these donations have been made from personal funds.

6. From the 1996 election cycle through the 2002 cycle, I estimate that I have donated over \$2.8 million in non-federal funds ("soft money") to national committees of the Democratic Party, including over \$1.2 million in the 2000 election cycle. Also from the 1996 election cycle through the current cycle, I estimate that my wife and I have contributed approximately \$100,000 per cycle in federal funds ("hard money") to federal candidate committees and other federal political committees not affiliated with political parties. During this same period, I have also hosted many hard money fundraising events for federal candidates in Philadelphia.

7. At the national committee level, although I have given substantial amounts to the Democratic National Committee ("DNC") and the Democratic Congressional Campaign Committee ("DCCC"). I have focused on the Democratic Senatorial Campaign Committee ("DSCC"). I have a special interest in the United States Senate because I believe having a high-quality Senate really does make a difference in the way the country works. I also have a particular interest in assisting female candidates, as I believe they confront barriers not faced by their male counterparts.

8. In the 2000 and 2002 election cycles, in addition to making what I call "straight" soft money donations directly to the DSCC, I have donated soft money to the joint fundraising

committees of a number of United States Senate candidates whom I strongly support and who were or are in close races. I estimate that I donated approximately \$250,000 in soft money through these joint fundraising committees in the 2000 cycle, and over \$250,000 in soft money so far in the 2002 cycle. In my experience, the joint fundraising committees are typically formed by the Senate candidate's authorized committee and the DSCC. My soft money donations to these joint committees generally occur in connection with requests from the Senate candidates involved for help with their campaigns. Sometimes I have given soft money to the joint committees in response to requests from the DSCC.

9. In the 2000 election cycle, I focused my joint fundraising donations on the committees formed to assist several Senate campaigns. I believe I gave approximately \$100,000 each to the joint fundraising committees of Debbie Stabenow in Michigan and Governor Mel Carnahan, later Jean Carnahan, in Missouri. I also donated to a joint fundraising committee to assist the campaign of Tom Carper in Delaware.

10. In the 2000 Carnahan Senate campaign in Missouri, I took an active role. I attended a private meeting with Governor Carnahan and a group of Missouri supporters in early 2000. The meeting was about the importance to the campaign of raising \$1 million (including the \$100,000 from me) for the joint fundraising committee in order to respond to attacks that were expected to come soon from Governor Carnahan's opponent. I was not intimately involved in how the money would be spent, but I had confidence that it would be spent appropriately to help with the campaign.

11. I also took an active role in the 2000 Stabenow Senate campaign in Michigan. In mid-2000, I met with Debbie Stabenow in Michigan, and as I recall, agreed with her campaign's

finance committee that I would pledge \$50,000 to her joint committee if they would raise \$500,000 to match it by the end of the week. They succeeded in raising the money.

12. In the 2002 election cycle, I estimate that I am assisting perhaps 10 Democratic Senate candidates through soft money donations to joint fundraising committees. I have donated \$100,000 to Senator Carnahan's joint fundraising committee, Missouri Senate 2002, and I believe \$50,000 each to the joint committees assisting Chellie Pingree in Maine, Jeanne Shaheen in New Hampshire, and Senator Robert Torricelli in New Jersey.

13. In the current cycle, I have taken an active role in more Senate campaigns than I did in the 2000 cycle. In addition to assisting Senator Carnahan's 2002 campaign, I have worked intensively to help four challenger campaigns: the Pingree campaign in Maine, the Shaheen campaign in New Hampshire, the Pryor campaign in Arkansas, and the Bradbury campaign in Oregon. I have attended meetings focused on the financial side of the campaign in each of those four states, and I have donated soft money to each of the affiliated joint committees.

14. I recently attended a huge fundraising dinner at the Art Center in Newark, New Jersey, to benefit Senator's Torricelli's 2002 campaign. Senator Jon Corzine was the host, and former President Bill Clinton attended. I donated \$50,000 to New Jersey Senate 2002, Senator Torricelli's joint committee, and I understand they raised about \$3 million that night.

15. As someone who has given hard money and soft money, and been intimately involved in fundraising and campaigning for many years, I see little difference between hard money and soft money beyond the source and amount limitations on hard money contributions. National and state political parties use soft money to influence federal elections.

16. I have also given a significant amount, perhaps half a million dollars, to state political parties and state candidates over the last few election cycles, including \$100,000 to

former DNC Chair Ed Rendell in connection with the race for Governor of Pennsylvania this year. ~~Federal candidates have often asked me to donate to state parties, rather than the joint~~ committees, when they feel that's where they need some extra help in their campaigns. I've given significant amounts to the state parties in South Dakota and North Dakota because all the Senators representing those states are good friends, and I know that it's difficult to raise large sums in those states. The DSCC has also requested that I provide assistance to state parties.

17. In the 2000 election cycle, I gave a substantial amount of soft money to the Democratic coordinated campaign in Pennsylvania in order to assist former Vice President Al Gore in the Presidential race, principally because I was concerned that he might lose the state. I had confidence in this effort because although the money went to the state party, the coordinated campaign there was run by very able Gore people. I also helped this coordinated campaign with staffing, fundraising, and ensuring a sufficient flow of money from the DNC.

18. I estimate that, over the last decade, I have given roughly \$2 million to interest groups engaged in political activity, including non-profit corporations. I believe that I have given over \$1 million to EMILY's List from the 1996 election cycle through the present, and I have given far smaller amounts to the National Abortion Rights Action League ("NARAL"), Public Campaign, and the Brady Campaign/Brady Center, on whose board I have served. I also give to groups that engage in grassroots voter education and get-out-the-vote activities, including the voter fund of the National Association for the Advancement of Colored People, the 21st Century Democrats, and the Southwest Voter Registration Education Project. I believe this kind of field work can have important effects on political campaigns. I decide which of these groups to give to primarily on my own, though I have also discussed with DSCC personnel which groups are ~~effective at these grassroots activities.~~

19. I have been approached by interest groups, such as NARAL and the League of Conservation Voters, with appeals for large donations to be used for broadcast advertisements that will help federal candidates whom the groups know I support. Groups like these know of my interest in the Senate, and they can be opportunistic in saying things like, "We think we can get Bill Bradbury elected in Oregon," or in talking about how they're going to go in and really help Debbie Stabenow. Of course, this kind of approach could be very appealing to someone like me who puts a lot of work into the campaigns of such candidates. However, I am wary of such candidate-specific appeals from interest groups, and in general I do not respond favorably.

20. In early 2002, I did donate \$50,000 to one "527" organization, Daschle Democrats, which I understand ran broadcast ads in South Dakota supporting Senator Daschle in response to the intense attacks that had been made on him. I was willing to do this because I felt that the attacks were hurting Senator Daschle and Senator Tim Johnson's re-election campaign as well.

21. I donate to political committees in order to help the campaigns of candidates who, if elected, will pursue progressive policies that are important to me. I think some other major donors share my motives. However, based on my experience, there are still other major donors who may care about electing candidates who will pursue progressive policies, but who are also anxious to advance their own business agendas. I am fortunate not to have to carry that kind of baggage.

22. There is no question that those who, like me, make large soft money donations receive special access to powerful federal office holders on the basis of the donations. I am close to a number of Senators. I see them on a very consistent basis, and I now regard the Majority Leader as a close friend. I understand that the unusual access I have correlates to the millions of dollars I have given to political party committees, and I do not delude myself into feeling

otherwise. Not many people can give soft money on that scale, and it naturally limits the number of those with that level of access.

23. I am aware that some soft money donors, such as some corporations, give substantial amounts to both major political parties. Based on my observations, they typically do this because they have a business agenda and they want to hedge their bets, to ensure they get access to office holders on the issues that are important to them. This occurs at the national and state levels.

24. Business corporations are not the only ones who attempt to use access derived from large soft money donations. For example, on one occasion, Senator Joe Biden came and spoke to a non-profit group with which I have been involved to some extent. At this event, one thing Senator Biden said to those in attendance was, basically, "One of the reasons it's easy to deal with Peter Bittenwieser, and I'm happy to be here, is that he's one of the few people in this process who never asks for anything." Roughly six months later, this same group pressured me in a very blunt way to give them the access to Senator Biden that would be needed to pursue an issue in which they had an intense interest. I have no doubt that I could have assisted this group, but I chose not to do so.

25. Events, meetings and briefings held for soft money donors provide opportunities for the donors to hear speeches and engage in policy discussions with federal office holders. There is also a certain amount of politicking and lobbying at these events. This is true particularly in the side discussions, in which donors can approach office holders and discuss their issues. In my experience, DNC events have tended to be more scripted, less intimate and less attractive to me than DSCC gatherings, although on several occasions I attended small, private DNC gatherings featuring President Clinton speaking at length on issues like international

finance which were fascinating. I tend to favor smaller events. Most donor events are fairly structured to include a lot of stroking to make you feel like you're a "big deal" guy, and a pitch for money, unless it is a donor maintenance event, at which existing donors are merely wined and dined and generally made to feel important. At national party major donor events, you can often tell who is the largest donor, because that is typically the person who sits next to the President.

26. I am briefed on campaign matters several times a year at the DSCC and at the DCCC. I have also had perhaps 30 individual meetings with Senators since the 1996 cycle, and I may see them on the campaign trail, or speak with them on the phone. This is how I've gotten to be friends with a number of them.

27. During the 1996 election cycle, I came to feel that something was not right in much of the high level Democratic party fundraising that was going on relevant to the Presidential race. As a result, I made a conscious decision to avoid certain kinds of major donor events and perks that I was being offered and some people I knew were receiving, such as stays in the Lincoln Bedroom, rides on Air Force One, and so forth. For instance, I decided not to go to the White House. This was before the press began to report on these things in any detail. My feelings of discomfort increased as the election neared, and it became clear that the President was going to stay in power and that there was a lot he could do for a lot of people.

28. One example of the problems related to this activity is a well-known incident from June 1996 involving me and Terry McAuliffe, who was at that time a high level fundraiser for the DNC, and who I think has done some terrific things. One day Terry called me, and said that he knew I must be thinking about doing something more for the DNC before the end of the year. He knew I did not care for big events, but he said there was to be an intimate luncheon with the President for eight people at the White House the following week. Terry basically told me that if

I gave \$50,000 by the end of the year. he could get me into that lunch. I was offended. I

~~declined, and not long afterwards I wrote him a letter saying I thought this was a quid pro quo.~~

thing, and that I really hated that kind of thing.

29. In about March 1997, this incident involving Terry and me hit the press in Philadelphia and became well known. When it did, Terry said that my account was not accurate, but the press investigation confirmed much of it. As it happens, two of the people who did attend this White House luncheon were representatives from an Indian tribe in Oklahoma who I understand were seeking executive action on some economic issue that was important to the tribe. These representatives had apparently been told that if the tribe donated \$100,000, they would have the chance to make their case to the President at this luncheon, which they did.

However, I gather that although they managed to have, in a sense, a quid pro quo lunch, they did not ultimately get what they wanted. When this became public, I believe also around March 1997, it created another scandal. I was even more glad that I had not attended the luncheon. I took the trouble to pursue this issue, and to deal with the press, because I felt that this was just the kind of excess that was hurting our political system during that time period, that it was a relatively small example of a much larger problem.

30. Large soft money donations can create at least the appearance of influence on federal policy making, and in my view can actually influence federal policy. I had particular concerns about soft money-based influence in the mid-1990's in connection with fundraising related to the Presidential campaign. But there have also been more recent examples. One was the situation involving the pardon of Marc Rich in early 2001, which in my view was a glaring case of giving soft money, getting access, and having influence. Of course, this problem exists in

the Republican Party as well as the Democratic Party, and another recent example is the access and apparent influence of Kenneth Lay and Enron on energy issues.

31. As for myself, by having access but not asking for anything, I feel that I've been able to have an influence in a general, constructive way. Although I believe I could have influenced federal office holders in ways that could have specifically benefited me or my family, I have resisted doing so.

32. In my view, the kind of soft money fundraising described above also harms the nation's political system because it simply takes so much of our federal office holders' time. Many of the Members of Congress I know are required to be out there for the great majority of their free time raising primarily soft money, particularly Senator Daschle. Sometimes campaign committee leaders are on the road almost every weekend, hosting events for major donors in different parts of the nation, and I know of one who I believe absolutely exhausted himself in this process.

33. I strongly support limitations on the use of soft money to influence federal elections, such as the ban on soft money raising and spending by the national party committees. This is so even though I have been, in a sense, a beneficiary of the special access large soft money donations can purchase. I feel that if the biggest donations are removed from the system, the worst kind of special access and potential for improper influence will decrease significantly.

34. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct.

Peter L. Battenwieser

Peter L. Battenwieser

Executed on this 17 day of July, 2002
