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Omar Ashmawy
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# RE: NLPC COMPLAINT AGAINST U.S. REPRESENTATIVE ALEXANDRIA OCASIO-CORTEZ FOR VIOLATING THE HOUSE GIFT RULE

Dear Mr. Ashmawy:

The National Legal and Policy Center (NLPC), a nonprofit organization dedicated to promoting ethics in government, hereby files this complaint with the Office of Congressional Ethics (OCE) to immediately investigate whether U.S. Representative Alexandria Ocasio-Cortez (AOC) violated the House Ethics Rule XXV, clause 5 ("Gift Rule) by accepting a free invitation for herself and her boyfriend, Riley Roberts, to attend the Metropolitan Museum of Art's exclusive "Met Gala" fundraising event on September 13, 2021, where tickets go for \$35,000 and sponsor tables go for \$200,000 to \$300,000.

In addition, Rep. Ocasio-Cortez may have violated the Gift Rule by receiving related inkind gifts before, during, or after the event, including the use of a custom-designed dress, jewelry, limousine service, the use of the Carlyle Hotel to get dressed, the acceptance of free professional hair and makeup services, and other related services or goods.

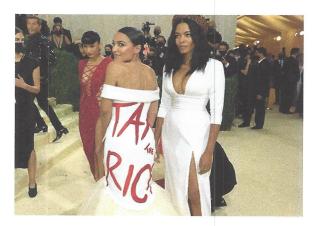
For the following reasons, the OCE should initiate a "preliminary inquiry," conduct a full investigation, find that there is "substantial reason to believe" that these allegations are true, and refer this matter to the House Ethics Committee for disciplinary action against Rep. Ocasio-Cortez.

<sup>&</sup>lt;sup>1</sup> NLPC has filed numerous ethics complaints over its 30-year history. Most recently, it filed a complaint last month with this Office against Rep. Ilhan Omar for failing to disclose her 2019 book deal in her Financial Disclosure Reports. https://www.nlpc.org/featured-news/nlpc-files-ethics-complaint-against-rep-ilhan-omar-over-book-deal/

#### THE MET GALA

The Met Gala is an annual charitable fundraising event sponsored by the Metropolitan Museum of Art for its Costume Institute and attended by an exclusive guest list of celebrities, designers, entertainers, and corporate sponsors.<sup>2</sup>

At this year's event, Rep. Ocasio-Cortez made a fashion/political statement by wearing a dress with the statement "Tax the Rich" on the bodice of the gown that was custom-made for her by fashion designer Aurora James, who also attended the event with other designers to promote their brand. Both are seen together here at the event in this photo without wearing masks, which were required in the invite, except when eating or drinking:



According to press accounts of the event, AOC also enjoyed the free use of a limousine, the expensive Carlyle Hotel on the Upper East Side where she got dressed, and professional

The Gala reportedly raised \$19 million in 2019. According to one source, "I've heard that Facebook and Instagram have taken so many tables, and that's put a lot of people off going, alongside the mask mandate." Daily Mail, *What to expect from tonight's all-vaxxed, all-masked Met Gala* (Sept. 13, 2021). https://www.msn.com/en-us/tv/news/what-to-expect-from-tonights-all-vaxxed-all-masked-met-gala/ar-AAOoDez

<sup>&</sup>lt;sup>2</sup> According to Museum's website, "The fashion industry funds the work of The Costume Institute, including its exhibitions, acquisitions, and capital improvements. Each May, the annual Gala Benefit, its primary fund-raising event, celebrates the opening of the spring exhibition. Under the leadership of Trustee Anna Wintour (Artistic Director of Condé Nast and Editor-in-Chief of Vogue), who has been co-chair since 1995 (excluding 1996 and 1998), the gala has become one of the most visible and successful charity events, drawing attendees from the fashion, film, society, business, and music industries." Note: there is no mention of politicians. <a href="https://www.metmuseum.org/press/general-information/2011/the-costume-institute">https://www.metmuseum.org/press/general-information/2011/the-costume-institute</a>

hair and makeup services.<sup>3</sup> Beside the use of the custom-made dress, these services constitute prohibited in-kind gifts along with the free tickets AOC received for herself and boyfriend.

#### **HOUSE GIFT RULES**

The House Ethics Committee defines a gift as follows: 4

A gift is something with monetary value for which you do not have to pay. Gifts include gratuities, favors, discounts, entertainment, hospitality, loans, forbearances, services, training, travel expenses, in-kind contributions, advanced payments, and reimbursements after the fact.

The Gift Rule is also clear that Members cannot accept gifts with limited exceptions:<sup>5</sup>

A Member, officer, or employee may not accept any gift, except as the rule specifically provides. Thus, unless a gift falls into one of the categories of acceptable gifts, it may not be accepted.

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(B) A Member, Delegate, Resident Commissioner, officer, or employee of the House, or the spouse or dependent thereof, may accept a sponsor's unsolicited offer of free attendance at a charity event, except that reimbursement for transportation and lodging may not be accepted in connection with the event unless—

(i) all of the net proceeds of the event are for the benefit of an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code;

(ii) reimbursement for the transportation and lodging in connection with the event is paid by such organization; and

(iii) the offer of free attendance at the event is made by such organization.

(C) In this paragraph the term "free attendance" may include waiver of all or part of a conference or other fee, the provision of local transportation, or the provision of food, refreshments, entertainment, and instructional materials furnished to all attendees as an integral part of the event. The term does not include entertainment

<sup>&</sup>lt;sup>3</sup> S.E. Cupp, New York Daily News, *AOC's dress and America's priorities* (Sept. 14, 2021) ("If exposing the scourge of economic inequality at a ritzy event like the Met Gala was the idea, she certainly indulged in all the benefits of being a rich person that night, from her chauffeured ride, her use of the swanky Carlyle Hotel to get ready, her celebrity hair and makeup artists, her custom gown and \$450 earrings, and rubbing elbows with the likes of Kendall Jenner, Anna Wintour and wealthy celebs."). https://www.nydailynews.com/opinion/ny-oped-aocs-dress-and-americas-priorities-20210914-qxzj4vzkwnhiloyyeuiqexciiq-story.html

<sup>&</sup>lt;sup>4</sup> Gifts Guidance, Committee on Ethics.

<sup>&</sup>lt;sup>5</sup> FAQs About Gifts, Committee on Ethics.

collateral to the event, nor does it include food or refreshments taken other than in a group setting with all or substantially all other attendees.

#### 1. Invitation to the Gala

NLPC alleges that AOC violated the Gift Rule by accepting free tickets valued at \$35,000 each for herself and her boyfriend.

A charity fundraising event must meet the following criteria.

You are invited by the event organizer directly, and The event organizer is the organization(s) doing the work to put the event on, not a monetary event sponsor or table sponsor.<sup>6</sup>

NLPC notes that although the invitees are selected by Anna Wintour, a well-known Democratic fundraiser, it does not allege that she invited the guests in her personal capacity as Editor of Vogue or her position with Conde Nast, but as co-chair of the event and as a Trustee of the Museum. Thus, it can be reasonably said that invitees were invited by the "event organizer directly." Nevertheless, NLPC alleges that any free tickets were given to AOC and her boyfriend indirectly by one of the table sponsors, since it is understood that there are no comps given for this fundraiser.

Thus, it is NLPC's understanding that Ms. Wintour assigns invitees to sit at the table of a particular sponsor, unlike the usual arrangement at a charity event where the table sponsor can bring its own guests to sit at the table. In short, it is the table sponsor who is gifting or underwriting a coveted seat to AOC at the Gala. And if the sponsor of the table where AOC sat was one paid for by one of corporations attending the event, such as Instagram or Facebook, AOC has received a prohibited gift from the corporation that also lobbies Congress.<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> House Ethics Manual, Charity Events.

<sup>&</sup>lt;sup>7</sup> "[Rep. Ocasio-Cortez] claims she was 'invited' to the event, but won't say who paid for her, if anyone. Conde Nast does not ordinarily comp tickets for anyone. It is more often the case that stars will be invited to sit on a donor's table that has been paid for." Daily Mail, Sept. 13, 2021. <a href="https://www.dailymail.co.uk/news/article-9987913/AOC-slammed-hypocrite-donning-custom-Aurora-James-dress-TAX-RICH.html">https://www.dailymail.co.uk/news/article-9987913/AOC-slammed-hypocrite-donning-custom-Aurora-James-dress-TAX-RICH.html</a>:

AOC took to twitter in an attempt to justify her apparently free attendance at the Gala:



Her defense via twitter that "elected officials are routinely invited to and attend the Met [Gala]" does not give her a free pass to accept the \$35,000 ticket if, as NLPC alleges, the ostensible "free" ticket was in fact paid for by a table sponsor. Moreover, as previously noted, the Museum, in its description of the event, does not mention "routinely invit[ing]" politicians to this major fundraiser, but instead specifies designers, corporate sponsors, and the like.<sup>8</sup>

2. **Invitation of her boyfriend.** In any event, even if AOC were allowed to attend this charity event for free and was invited by the Gala sponsor to bring her boyfriend, Riley Roberts, that would also violate the House Gift Rule, which provides:

the spouse or dependent thereof, may accept a sponsor's unsolicited offer of free attendance at a charity event.

\*\*\*\*

Example (Impermissible). An event organizer offers you two tickets to its upcoming charity fundraiser. You would like to bring your adult child as your guest. You may not use the second ticket to bring your adult child, as you may only use a second ticket to a charity fundraiser for your spouse or a dependent child. You may bring your adult child as your guest if you purchase a ticket from the event organizer. 9

Thus, because her boyfriend is not her "spouse or dependent," her acceptance of an "invite plus one" to the Met Gala would violate the Gift Rule unless AOC or her boyfriend paid for his \$35,000 ticket, an unlikely scenario.

## 3. The custom-designed dress.

Finally, regardless of the legality of her free attendance at the event, AOC still has received prohibited in-kind gifts, including the use of a custom-designed dress for the occasion by designer Aurora James. As for the value of this dress, "When asked by CNN about the price tag

<sup>&</sup>lt;sup>8</sup> See fn. 1, *supra*.

<sup>&</sup>lt;sup>9</sup> Committee on Ethics. Gift Guidance. Rule XI. Exceptions to the Gift Rule for Permissible Gifts, Section J, Free Attendance at Events, clause vi, Charity Events.

on AOC's dress, James said she's still working on calculating the cost but added that a lot of "salvaged material" was used to make the gown." <sup>10</sup>

While Ms. James is apparently noted for using eco-friendly materials, besides the cost of materials, she devoted valuable professional services in designing and making this one-of-a-kind dress. NLPC alleges that this in-kind gift in the form of making and loaning this dress to AOC is prohibited by the Gift Rule.

AOC may respond that this is a permissible gift from a friend, but NLPC asserts that this gift does not satisfy the personal friendship exception, which states in pertinent part:

### D. Gifts Based on Personal Friendship

You may be able to accept a gift that is offered because of personal friendship and not related to your position with the House. 11

This exemption only applies if the gift is "not related to your position with the House." Clearly, the gift of making the dress with its attention-grabbing political message, "Tax the Rich," and loaning it to her to wear at this fashion industry event, was directly related to AOC's "position with the House" as a highly visible and controversial Member. AOC even tweeted that her attendance at the Gala was related to her position as an elected official. If AOC had not been a Member, she would not have been invited to the Gala; and even if she would have been invited as a private citizen, the designer would not have made a special dress for her to wear at the event.

Moreover, even if the gift were "not related to [her] position with the House," the exemption for gifts from friends may not necessarily be applicable if there were reasons other than friendship that motivated the giving of the gift. Here, the making the dress had a business purpose for promoting the designer and her brand at a fashion industry event, and the designer could lawfully deduct the expense of making the dress as a business expense.<sup>12</sup>

<sup>&</sup>lt;sup>10</sup> https://www.the-sun.com/entertainment/3659677/designer-aoc-tax-the-rich-met-gala-dress/ <sup>11</sup> Committee on Ethics. House Ethics Manual. Gifts Guidance. Section XI, clause D.

<sup>&</sup>lt;sup>12</sup> Id. To accept a gift under personal friendship, you must consider the circumstances of the offer, including, but not limited to

<sup>•</sup> the nature of your relationship with your friend, including any past exchange of gifts:

<sup>•</sup> if your friend paid or will pay for the gift personally, or if your friend will seek a business reimbursement or tax deduction; and

<sup>•</sup> if the same or similar gift was or will be offered to another Member, officer, or employee.

**Related gifts of services.** Finally, there were a host of other impermissible in-kind gifts that AOC received that were associated with this event, including limousine service, the use of The Carlyle Hotel, professional hair and makeup services, the use of jewelry, and likely other in-kind gifts, all of which this Office should investigate.

#### **CONCLUSION**

NLPC respectfully requests that the Office of Congressional Ethics find that there is "reasonable cause to believe" that Representative Ocasio-Cortez may have violated the House Gift Rule by accepting free admission for herself and boyfriend to the Met Gala event and receiving related gifts before, during, or after the event, including the use of a custom-designed dress, limousine service, the use of the Carlyle Hotel, professional hair and makeup services, and any other related services or goods..

The evidence is sufficient for two Board Members of the OCE to at least vote to begin a "preliminary review" as provided in OCE rules. After such review, including the issuance of subpoenas, if necessary, the OCE should find "substantial reason to believe" the allegations are true, thereby authorizing the OCE to refer this matter to the House Committee on Standards of Official Conduct for appropriate disciplinary action against Representative Ocasio-Cortez.

To the best of my knowledge and ability, all evidence submitted was not obtained in violation of any law, rule, or regulation. Further, I am aware that 18 U.S.C. 1001 applies to information submitted to the Office of Congressional Ethics.

Respectfully submitted,

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