

**Statement of Chairman Lamar Smith
and Ranking Minority Member Howard L. Berman**

September 23, 1999

In accordance with Clause 3 of House Rule XI and Rules 15 and 19 of the Rules of the Committee on Standards of Official Conduct ("Committee"), which authorize the Committee to establish an investigative subcommittee on its own initiative, the Committee voted on September 22, 1999, to establish an investigative subcommittee to conduct a formal inquiry regarding Representative Earl F. Hilliard.

The investigative subcommittee shall have jurisdiction to determine whether Representative Hilliard violated the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to his conduct in the performance of his duties or the discharge of his responsibilities, with respect to: (1) loans reportedly made by Representative Hilliard's campaign committee in 1993-1994 to certain individuals; (2) occupancy of office space in Birmingham, Alabama, by Representative Hilliard's campaign during the period of 1992-1998, including expenditures by the campaign for rent and utilities; and (3) Representative Hilliard's compliance with financial disclosure requirements during the period of 1992-1999 regarding ownership interests in Hilliards & Company, Inc. and the Birmingham Greater Golf Associates, Inc. or its successor, Birmingham Recreation, Inc.

Representative Rob Portman will serve as Chairman of the investigative subcommittee, and Representative Martin Olav Sabo will serve as its Ranking Minority Member. The other two members of the subcommittee are Representative Kenny C. Hulshof and Representative James E. Clyburn.