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RANKING MINORITY MEMBER

**Congress of the United States**  
**House of Representatives**

COMMITTEE ON GOVERNMENT REFORM  
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January 29, 2003

The Honorable Johnnie E. Frazier  
Inspector General  
Department of Commerce  
14<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20230

Dear Mr. Frazier:

I am writing to you regarding recent press accounts of a reception given by industry lobbyists in honor of Assistant Secretary of Commerce Nancy Victory, who is the Administration's top official on telecommunications issues.

According to these press accounts, lobbyists for three wireless companies — SBC, Cingular, and Motorola — helped pay for a private reception for Ms. Victory on October 14, 2001.<sup>1</sup> Apparently, there were other representatives from the telecommunications industry in attendance at the reception. Initially, Ms. Victory stated that the three lobbyists hosted the reception out of personal friendship and that they paid for the reception out of their personal funds.<sup>2</sup> Subsequently, it was revealed that SBC wrote a check for approximately \$480 from corporate funds to pay for the party.<sup>3</sup>

On October 24, 2001, ten days after this private reception, Ms. Victory wrote to the Federal Communications Commission (FCC) to urge the repeal of restrictions on how much

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<sup>1</sup>*Days before Going to Bat for Wireless Companies, Bush Administration Official Was Feted by Lobbyists*, Associated Press (Jan. 21, 2003).

<sup>2</sup>*Id.*

<sup>3</sup>*New Ethics Issue for Commerce Official*, Washington Post (Jan. 23, 2003).


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spectrum individual carriers could own in a geographic area.<sup>4</sup> Ms. Victory's position, which was supported by the wireless companies, was subsequently adopted by the FCC.<sup>5</sup>

Ms. Victory did not report the reception as a gift on her financial disclosure form. Ms. Victory has stated that she was advised that she did not need to report this reception publicly.<sup>6</sup> The Office of Government Ethics, however, has indicated that the reception should have been reported as a gift.<sup>7</sup>

The Inspector General's office has the authority to determine whether Ms. Victory acted appropriately and whether any steps need to be taken to prevent such a situation from occurring in the future. I respectfully ask that you investigate this matter thoroughly and provide our Committee with a report on your findings.

Sincerely,



Henry A. Waxman  
Ranking Minority Member

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<sup>4</sup>*Days before Going to Bat for Wireless Companies, supra* note 1.

<sup>5</sup>*Id.*

<sup>6</sup>*Id.*

<sup>7</sup>*Bush Administration Official to Revise Financial Disclosure Form to Record Reception Paid for by Lobbyists*, Associated Press (Jan. 22, 2003).