FACT #1: TIM GRIFFIN WAS NAMED AS ONE OF THE TOP 11 "CROOKED CANDIDATES" IN AMERICA RUNNING FOR ELECTED OFFICE.

CREW's Crooked Candidates 2010

The list was **bipartisan** list of officials compiled by a **non-partisan** ethics watch dog group Citizens for Responsibility and Ethics in Washington [C.R.E.W.].

Mr. Griffin was listed on a bipartisan list of the most crooked candidates running for elected office in 2010. The list included three Democratic candidates Alvin Greene, Jeff Greene, Kendrick Meek, one former Democrat James Traficante, and one Independent candidate Charlie Crist. On the Republican side, Mr. Griffin joins Christine O'Donell, who admitted to dabbling in witchcraft and J.D. Hayworth, who had "extensive" ties to former lobbyist and convicted felon Jack Abramoff.

Here is the full list:

CREW's Crooked Candidates 2010

- Roy Blunt (R) U.S. Senate, MO
- Charlie Crist (I) U.S. Senate, FL
- <u>Jeff Denham</u> (R) U.S. House, CA
- Alvin Greene (D) U.S. Senate, SC
- <u>Jeff Greene</u> (D) U.S. Senate, FL <u>DEFEATED</u>
- <u>Timothy Griffin</u> (R) U.S. House, AR
- <u>I.D. Hayworth</u> (R) U.S. Senate, AZ DEFEATED
- Ed Martin (R) U.S. House, MO
- Kendrick Meek (D) U.S. Senate, FL
- Christine O'Donnell (R) U.S. Senate, DE
- <u>Dino Rossi</u> (R) U.S. Senate, WA
- Marco Rubio (R) U.S. Senate, FL
- <u>Iames Traficant</u> (I) U.S. House, OH
- Allen West (R) U.S. House, FL

CREW also issued a bipartisan list of 26 current federal office holders in Washington D.C. that they deemed the "most corrupt." The list included 9 Democrats. Report Summaries

About Citizens for Responsibility and Ethics in Washington

Citizens for Responsibility and Ethics in Washington (CREW) is a nonprofit 501(c)(3) organization dedicated to promoting ethics and accountability in government and public life by targeting government officials -- regardless of party affiliation -- who sacrifice the common good to special interests. CREW advances its mission using a combination of research, litigation and media

outreach. CREW employs the law as a tool to force officials to act ethically and lawfully and to bring unethical conduct to the public's attention

Center for Responsibility and Ethics in Washington - Entry on Tim Griffin:

Timothy Griffin

Running for U.S. House, Arkansas

Timothy Griffin is the <u>Republican nominee</u> for Arkansas's second congressional district.

Mr. Griffin was a <u>former aide</u> to and protégé of notorious political operative Karl Rove. In the 2004 presidential election, Mr. Griffin was the <u>research director of the RNC</u> where he may have spearheaded Republican <u>vote caging</u> efforts, a <u>legally questionable</u> direct mail campaign to <u>disenfranchise poor, minority and military voters.</u>

Mr. Griffin was most prominently <u>touched by scandal</u> when he was picked to replace a U.S. Attorney in Arkansas who, <u>despite being highly regarded</u>, had been asked to resign. <u>Emails</u> between the Justice Department and the White House revealed that despite his lack of prosecutorial experience, the selection of Mr. Griffin was personally <u>important to Mr. Rove</u>. Knowing that <u>he would never pass muster at a Senate confirmation hearing</u>, Mr. Griffin was appointed <u>interim U.S. Attorney</u> for an indefinite time period under a misused, emergency provision of the PATRIOT Act.

Mr. Griffin <u>resigned</u> effective June 1, 2007, after less than six months on the job and <u>in the midst of an investigation</u> by the House Judiciary Committee into the political motivations behind the U.S. Attorney scandal.

FACT #2: TIM GRIFFIN HAS NOT BEEN HONEST ABOUT HIS RECORD.

"Griffin, who fed us Rhoda's puffery, has had to scrub up his vitae from time to time. He had boasted that he had prosecuted 40 criminal cases during a stint as a Reservist at Fort Campbell, Ky. The Army said, however, that he had been an assistant counsel and only on three cases, none of which went to trial."

- Arkansas Times

"The Scholars of Clinton." Ernie Dumas, October 7, 2010

"I think one of the things that he did was spread the rumors around the White House that Bud Cummins was not a good U.S. attorney. When the inspector general's report came out and they asked people about the source of that rumor, it all pointed back to Mr. Griffin. He was the sole source of that information.

He, for example, <u>lied about the number of trials</u> he had when he was in JAG. I'm a career prosecutor. I think how many prosecutions and felony jury trials you've had means something, especially for anyone who wants to take the job of U.S. attorney. If you misrepresent that, then you need to be held to account for that."

- Paul Charlton

United States Attorney appointed by President George W. Bush.

Interview, Arkansas Times, September 20, 2010

Griffin's Web site states that "At Fort Campbell, he prosecuted 40 criminal cases. One of those, U.S. v. Mikel drew national interest after Private Mikel attempted to murder his platoon sergeant and fired upon his unit's early morning formation. Private Mikel pleaded guilty to attempted murder and was sentenced to 25 years in prison."

When I asked the Army to identify the cases prosecuted by Griffin at Ft. Campbell, the Army's public relations office replied, "According to our SJA [Staff Judge Advocate] office, Major Griffin was involved in these three cases (guilty pleas before a military judge alone) as an assistant trial counsel at Ft. Campbell, US vs. Hurst, vs. Mikel, and vs. Edwards."

- Consortium News "Did Rove's Protégé Puff Up Résumé?" Richard L. Fricker, April 3, 2007

"I have lost count of the public statements they have made that are simply wrong, or at least obviously deceptive. It smacks of desperation. You wonder if the bosses know the underlings are composing talking points for them with such little regard for the facts."

- Bud Cummins, former U.S. Attorney

In an earlier phone interview, Cummins told me he had no clear recollection of Griffin actually trying any case during his nine-month stint in Little Rock. "I honestly don't remember," Cummins said. "He may have tried one or two but nothing jumps out at me."

Cummins added that Griffin "got a lot of indictments but other people had to try his cases because he left." Griffin quit his job with U.S. Attorney Cummins to go to work as an opposition researcher for the 2004 Bush-Cheney campaign.

Griffin told the Arkansas Democrat Gazette that "I have made the decision not to let my name go forward to the Senate. ... I don't want to be part of that partisan circus."

One of the questions Griffin may want to avoid is a detailed recounting of his courtroom experience.

- Consortium News "Did Rove's Protégé Puff Up Résumé?" Richard L. Fricker, April 3, 2007

"Cummins said that after Griffin left the office, he was very good about staying in touch, and a review of Cummins's email traffic shows numerous friendly e-mails between Griffin and Cummins throughout 2004 into 2005."

U.S. Department of Justice Office of the Inspector General U.S. Department of Justice Office of Professional Responsibility "An Investigation into the Removal of Nine U.S. Attorneys in 2006," September 2008, page 120.

"Griffin said he did not personally believe Cummins was lazy. However, he said that he had heard similar comments about Cummins from other people and was sure he had passed on the comments."

U.S. Department of Justice Office of the Inspector General U.S. Department of Justice Office of Professional Responsibility "An Investigation into the Removal of Nine U.S. Attorneys in 2006," September 2008, page 141.

Griffin said in the report that he did not personally believe that Cummins was lazy though he had heard such comments and was sure he had passed the comments on.

Cummins stepped aside in December 2006, clearing the way for Griffin, a protege of President George W. Bush's political strategist Karl Rove, to get the appointment without the usual congressional confirmation process.

Griffin resigned as U.S. attorney in June 2007, saying "it is not worth it" after national attention to the controversy.

- Arkansas Democrat Gazette

"Elliott, Griffin face off, debate integrity." Mike Wickline, October 12, 2010

"He had a role [in the attorney firings scandal], and I think its been documented in the investigations," Bud Cummins said of Tim Griffin, the former Karl Rove aide who replaced Cummins and is now running for Congress in Arkansas 2nd District.

Still, Cummins said he didn't want to take a position on the race. But he said that just because nobody was ultimately charged doesn't mean there wasn't wrongdoing. "I think it would be wrong to take that prosecution decision, which is a declination they declined the prosecution, and over-read into it that it was some kind of exoneration," Cummins said. "It was clear from all the data and all the analysis that there was some wrongdoing and there was some lies being told."

- Talking Points Memo

"Fired U.S. Attorney: DOJ Decision Not An Exoneration of Griffin." Ryan J. Reilly. September 21, 2010.

What Griffin did not acknowledge and the newspapers didn't point out was that Gonzales and his deputies "mishandled" the firings at the direction of Griffin's office in the White House and that he was a beneficiary — maybe the only beneficiary — of the "mishandling."

- Arkansas Times

"The real Tim Griffin." Ernie Dumas, July 29, 2010

"Character matters," Charlton <u>said</u>. "And I don't think people change over a short period of time. Most people can change their ways over a long period of time and a good bit of reflection, but I think Mr. Griffin is the same person today as he was when he sought the position of U.S. attorney. The true Griffin is the individual we saw reflected in emails he was sending to Karl Rove, for example, saying he would name his first child after Rove if it was a boy, or slandering Bud or crying at the Clinton Library in a talk about Public Service. Those are examples of the individual that now wants to represent Arkansas in Congress."

- Arkansas Times

"Tim Griffin's Character." Gerard Matthews, September 23, 2010

FACT #3: TIM GRIFFIN WAS INVOLVED IN EFFORTS TO CHALLENGE RESIDENTS' OF FLORIDA RIGHT TO VOTE.

While serving as Research Director of the RNC, Tim Griffin replied "THX" to an email with the subject line "Caging" from Kelly Porter, who worked for the Republican Party of Florida, that said "total as of today is 1,834" and attached in the email was a excel spreadhseet titled "caging-1.xls" that contained a list of traditionally Democratic voters in Duval County, Florida. Among others the list contained students and soldiers from the Jacksonville Naval Air Force Base.

"Total as of Today is 1,834"

To: Tim Griffin - Research Communications tgriffin@rnchq.org

From: Kelly Porter, Republican Party of Florida

SUBJECT: CAGING

Attachment: Excel File "caging-1.xls" (conta

Sent: Thursday, August 26, 2004 6:12 PM

"THX"

To: Kelly Porter, kporter@rpof.org

From: Tim Griffin - Research Communications [mailto:tgriffin@rnchq.org]

SUBJECT: CAGING

Tim Griffin

Research Director and Deputy Communications Director

Republican National Committee

Sent: Thursday, August 26, 2004 6:34 PM

Click Here to see the actual emails between Tim Griffin and Kelly Porter

Click Here to see an analysis of the attached spreadhseet titled "Caging"

Spoken Remarks of Monica M. Goodling Before the Committee on the Judiciary, United States House of Representatives

"Despite my and others' best efforts, [Deputy Attorney General, Paul McNulty]'s public testimony was incomplete or inaccurate in a number of respects. As explained in more detail in my written remarks, I believe that the Deputy was not fully candid about his knowledge of White House involvement in the replacement decision, failed to disclose that he had some knowledge of the White House's interest in selecting Tim Griffin as Interim U.S. Attorney for the Eastern District of Arkansas, inaccurately described the Department's internal assessment of the Parsky Commission, and failed to disclose that he had some knowledge of allegations that Tim Griffin had been involved in vote "caging" during his work on the President's 2004 campaign."

 Monica Goodling, Deputy director of public affairs for the United States Department of Justice, serving under Attorneys General John Ashcroft and Alberto Gonzales.
 Testimony before the United States Congress, May 23, 2007

Monica Goodling's Opening Statement Before the House Judiciary Committee 05-23-2007

"For years, Tim Griffin, the former aide to Karl Rove who's been at the center of the U.S. attorney controversy, has been dogged by allegations that he was a part of a 2004 scheme to block African-Americans in Florida from voting.

As Greg Palast first reported for the BBC, an August, 2004 email sent to a number of Republican National Committee operatives contained a spreadsheet of the names and addresses of more than 1,800 voters in Duval County, Florida, a mostly white county that includes the city of Jacksonville.

Palast reported that the addresses were located in mostly black neighborhoods, and his story, followed by others posted this year on his website and the Brad Blog, alleged that the list was compiled in order to challenge African-American voters at the polls. We sought to test that conclusion through our own analysis of the data. The result? Our comparative analysis of the spreadsheet with Duval County voter rolls shows that most names were of African-Americans."

"Michael McDonald, an Associate Professor at George Mason University and an expert on elections statistics, said that the chance that the list is randomly so different from the population is less than 1 in 10,000. It is illegal to target voters based on their race under the Voting Rights Act. Griffin resigned earlier this month as the U.S. attorney for Little Rock after a six-month stint."

-Talking Points Memo

"Cage Match: Did Griffin Try to Disenfranchise African-American Voters in 2004?" Paul Kiel - June 26, 2007, 11:21AM

"evidence linking Tim Griffin, then-research director for the RNC, to this caging plot; specifically, a series of confidential e-mails to Republican Party muckety-mucks with the suggestive heading "RE: caging." The e-mails were accidentally sent to a <u>George Bush parody site</u>. They also contained suggestively named spreadsheets, headed "caging" as well. The names on the lists are what Palast's

researchers deemed to be homeless men and soldiers deployed in Iraq. <u>Here are</u> the e-mails."

- SLATE Magazine

"Raging Caging: What the heck is vote caging, and why should we care?" Dahlia Lithwick, Thursday, May 31, 2007.

"Tim Griffin has long been one of Karl Rove's closest "protégés" and has been at the epicenter of many of the most significant episodes of Republican sleaze over the last decade -- in particular, he has been a vital tool in the naked politicization of our justice system."

- Salon.com

Boys' night out: "The Politico guys," Rove's top disciple and how our press corps works, Glenn Greenwald. Sunday, October 12, 2008.

"Karl Rove-protege Tim Griffin <u>recently stepped down as U.S. attorney</u> in Arkansas, realizing that his nomination would almost certainly be rejected by the Senate.

Griffin's tenure was especially controversial because as former Research Director for the Republican National Committee in 2004, he allegedly engaged in the voter suppression of African-American service members through a tactic known as "caging," which is both illegal under the federal Voting Rights Act and unconstitutional."

"Rove-Protege Tim Griffin Dismisses Caging: 'I Didn't Cage Animals, I'm Not A Zookeeper'"

By <u>Satyam Khanna</u> on Jun 15th, 2007 at 3:48 pm

<u>Think Progress</u>

"A confidential campaign directed by GOP party chiefs in October 2004 sought to challenge the ballots of tens of thousands of voters in the last presidential election

"One group of voters wrongly identified by the Republicans as registering to vote from false addresses: servicemen and women sent overseas."

"One target list was comprised exclusively of voters registered at the Jacksonville, Florida, Naval Air Station. Jacksonville is third largest naval installation in the US, best known as home of the Blue Angels fighting squandron."

A soldier returning home in time to vote in November 2004 could also be challenged on the basis of the returned envelope. Soldiers challenged would be required to vote by "provisional" ballot.

The BBC obtained several dozen confidential emails sent by the Republican's national Research Director and Deputy Communications chief, Tim Griffin to GOP Florida campaign chairman Brett Doster and other party leaders. Attached were spreadsheets marked, "Caging.xls." Each of these contained several hundred to a few thousand voters and their addresses.

Another spokesperson for the Bush campaign, Mindy Tucker Fletcher, ultimately changed the official response, acknowledging that these were voters, "we mailed to, where the letter came back - bad addresses."

The party has refused to say why it would mark soldiers as having "bad addresses" subject to challenge when they had been assigned abroad.

The apparent challenge campaign was not inexpensive. The GOP mailed the letters first class, at a total cost likely exceeding millions of dollars, so that the addresses would be returned to "cage" workers.

"This is not a challenge list," insisted the Republican spokesmistress. However, she modified that assertion by adding, "That's not what it's set up to be."

Setting up such a challenge list would be a crime under federal law. The Voting Rights Act of 1965 outlaws mass challenges of voters where race is a factor in choosing the targeted group."

Buffalo Soldiers Scrubbed by Secret GOP Hit List

Massacre of the Buffalo Soldiers, Greg Palast. Friday, June 16, 2006

It lists 1,886 names and addresses of voters in predominantly black and traditionally Democrat areas of Jacksonville, Florida.

An elections supervisor in Tallahassee, when shown the list, told Newsnight: "The only possible reason why they would keep such a thing is to challenge voters on election day."

BBC NEWS, Newsnight Tuesday, October 26, 2004

"Vote caging" is when a political organization, typically a political party, compiles a "caging list" of voters whose mail came back undeliverable or who did not return the receipt, and uses that list to challenge those voters as not being validly registered. The challenges can occur prior to Election Day or at the polls.

"Inside the Vote Cage: Griffin, Goodling and McNulty" Campaign Legal Center, June 20, 2007 by J. Gerald Hebert

"Griffin made the group's list of delinquent aspirants for his part in a sleazy scheme to keep blacks and other potential Democratic voters in Florida away from the polls in the 2004 presidential election when he was an operative for the Republican National Committee and for his unsavory role in the U.S. attorney scandal in 2006, which forced the resignation of seven top Justice Department officials, including the attorney general of the United States."

- Arkansas Times

"The real Tim Griffin." Ernie Dumas, July 29, 2010

FACT #4: FREE TRADE IS NOT FAIR TRADE AND HAS BEEN BAD FOR ARKANSAS'S 2ND DISTRICT. TIM GRIFFIN JUST WANTS MORE OF THE SAME

Tim Griffin wants to issue a blank check to authorize all free trade deals. He not only does not talk about reforming past trade deals like NAFTA and CAFTA, he adamantly supports new trade deals with countries like South Korea.

Common sense tells us that we should fix our current "free trade" agreements to level the playing field and make these agreements true FAIR trade agreements before we rush into new no-stipulation agreements that will only cost Arkansans more jobs. These trade deals in their current form have placed Americans workers at unfair disadvantages and costs thousands of jobs. Mr. Griffin just wants more of the same.

The certified job losses for Arkansas's 2nd District due to so call free trade.

Arkansas lost over 65,817 manufacturing jobs (or 28.5 percent) during the NAFTA-WTO period (1993-2009), according the Bureau of Labor Statistics. This figure is for TOTAL manufacturing employment, so takes into account both jobs created by exports and jobs displaced by imports, among other factors.

That's an aggregate number, but the Department of Labor tracks instances of specific workers at specific factories that applied for special benefits for trade-displaced workers. In Arkansas, there are **39,367 - 52,944** such workers under the so-called Trade Adjustment Assistance programs. (Note: This is a hard to qualify for program, and this figure only looks at those workers that were certified.)

The Economic Policy Institute found that **10,321 additional manufacturing jobs** could have been supported in Arkansas over 1993-2004 – and over one million in the United States – with balanced trade *among NAFTA countries alone*.

The Economic Policy Institute found that **21,800 additional manufacturing jobs** could have been supported in Arkansas over 1993-2004 – and over one million in the United States – with balanced trade with *China alone*.

From Public Citizen:

On this page you can search for specific workplaces that have laid off workers due to rising imports or off-shoring of production. The Department of Labor certifies these trade-impacted workplaces under its Trade Adjustment Assistance (TAA) program, which entitles laid off workers to training and temporary income assistance. The database contains all TAA petitions certified or denied between January 1994 and June 2010. Please review our guide on how to interpret the data here and the technical documentation here. Learn more about the TAA program here.

Johnson & Johnson	Little Roc k	AR		Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	undergarment s for adults		95	200	Shift in product ion to Canad a	Canada
Johnson and Johnson	Nort h Little Roc k	AR	2	Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	sanitary protection & incontinence	Co.	10/23/1 996	200	Shift in product ion to Canad a	Canada
R and G Sloane Manufactu ring	Little Roc k	AR	2	Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	pipe fittings	Wk rs	10/26/1 996	178	Shift in product ion to Canad a	Canada
Nucor Corporatio n	Con way	AR	2	kner	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	hex head cap screws, locking nuts,	Co.	12/28/1 999	82	Increas ed custom er imports from Canad a	Canada
Kimberly Clark	Con way	AR	2	kner	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	Feminine care products	Wk rs	5/14/20 00	38	Increas ed compa ny imports from Canad a	Canada

Deluxe Media Services LLC	Nort h Little Roc k			Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	Digital Video Discs (DVD's)	te	2/14/20 06		Imports	
Cooper Manufactu ring Company	Sear cy	AR	2	Whi te Cou nty	Searcy, AR Micropolitan Statistical Area	Gaskets for Small Engines	Sta te	5/9/200 6	9	Certifie d Upstre am	China
Chair Tech Mfg. and Supply	Bent on	AR	2	Sali ne Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	Office Chairs	Sta te	6/9/200 5	15	Imports	China, Brazil, Mexico
Molex, Inc.	Mau mell e	AR	2	Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	Interconnect Devices	Sta te	5/18/20 08	264	Shift in Produc tion	China, Singapo re
ITT Corporatio n	Sear cy	AR	2	Whi te Cou nty	Searcy, AR Micropolitan Statistical Area	Automobile Brake Pads	Sta te	1/18/20 07	18	Shift in Produc tion	Italy
Siemans Energy and Automatio n	Little Roc k	AR	2		Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	three-phase induction electric motor	IUE	1/18/19 97	274	Shift in product ion to Mexico	Mexico
Levi Strauss and Co.	Little Roc k	AR	2	Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	jeans and khaki casual dress pants	Co.	4/11/20 01	248	Increas ed compa ny imports from Mexico	Mexico
Molex, Inc.	Mau mell e	AR	2	Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	High Performance Electrical Cable	Sta te	12/13/2 006	172	Shift in Produc tion	Mexico
Capital Mercury Apparel	Mt. View	AR	2	Pul aski Cou nty	Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area	men's dress ans sport shirts	Co.	8/19/19 98	130	Shift in product ion to Mexico	Mexico

Philips	Little	AR	2	Pul	Little Rock-North	incandescent	Wk	7/8/199	123	Shift in	Mexico
Lighting	Roc			aski	Little Rock-Conway,	lighting	rs	6		product	
Company	k			Cou	AR Metropolitan					ion to	
				nty	Statistical Area					Mexico	
Siemens	Little	AR	2	Pul	Little Rock-North	electric	Wk	12/12/1	89	Shift in	Mexico
Energy	Roc			aski	Little Rock-Conway,	induction	rs	998		product	
and	k			Cou	AR Metropolitan	three phase				ion to	
Automatio				nty	Statistical Area	motors				Mexico	
n											
Kohler	Sear	AR	2	Whi	Searcy, AR	stainless steel	Sta	1/13/20	71	Shift in	Mexico
Company	су			te	Micropolitan	sinks	te	04		Produc	
				Cou	Statistical Area					tion	
				nty							
Volex	Clint	AR	2	Van	NA	plastic	Co.	5/1/199	65	Shift in	Mexico
	on			Bur		finished		9		product	
				en		power cord				ion to	
				Cou						Mexico	
				nty							
Franklin	Little	AR	2	Pul	Little Rock-North	Pumps and	Sta	5/18/20	34	Shift in	Mexico
Pump	Roc			aski	Little Rock-Conway,	Pumping	te	08		Produc	
Systems,	k			Cou	AR Metropolitan	Systems				tion	
Inc				nty	Statistical Area						
Kohler	Sear	AR	2	Whi	Searcy, AR	Stainless	UA	8/15/20	22	Shift in	Mexico
Company	су			te	Micropolitan	Steel Sinks	W	07		Produc	
				Cou	Statistical Area					tion	
				nty							

FACT #5: TIM GRIFFIN STANDS WITH NUMEROUS ORGANIZATIONS THAT OPPOSE CLOSING UNPATRIOTIC OVERSEAS LOOPHOLES

Exhibit A: Mr. Griffin signed the Americans for Tax Reform pledge and was officially endorsed by Grover Norquist's Club for Growth both of whom came out strongly against closing the tax loopholes.

ATR: "Obama's proposal will shove jobs and capital out of America and into foreign countries"

According to the <u>Washington Times</u>, "Fiscal conservatives and anti-tax groups decried the plan, saying it will produce the opposite of what it intends to do. 'Obama's proposal will shove jobs and capital out of America and into foreign countries," said Americans for Tax Reform, pointing out that U.S. companies already pay a higher corporate tax rate of 40 percent domestically than in many other countries, and that forcing them to pay this rate on profits they make internationally will drive operations out of the country. 'Obama's budget and Congressional tax-writers have been clear — they want companies to pay the full corporate rate as soon as the international profit is earned. In a global economy, companies don't have to take this lying down. It's a relatively-simple matter for a U.S. company with an Irish subsidiary to become an Irish company with a U.S. subsidiary. The Obama plan will force thousands of companies to make this job-killing decision' the anti-tax group said." [Washington Times, "Obama targets 'loopholes' for overseas operations," 5/4/09]

New York Times: Tax breaks for outsourcing cost U.S.

According to the New York Times, a proposal by President Obama would eliminate many tax breaks for outsourcing. "The administration would raise \$86.5 billion by ending a practice in which companies create foreign subsidiaries to shift income in ways that avoid taxes....Another proposal would close a loophole that allows companies to inflate the credits they claim for foreign taxes to the I.R.S., for an estimated \$43 billion in new revenues. Separate steps to crack down on wealthy individuals would raise nearly \$9 billion." [New York Times, "Obama Calls for Curbs on Offshore Tax Havens," 5/4/09]

More from Grover Norquist and Americans for Tax reform

Move from worldwide to territorial taxation of overseas income. The United States is one of the last countries to tax its citizens and businesses on a "worldwide" basis. This opens up U.S. taxpayers to potential double taxation on overseas earnings. This has led to a complex system of deferrals, deductions, and credits to mitigate this reality. Congress should conform our tax regime to the way the rest of the world taxes international-source

income: we should only tax that income earned in the territory of the United States. Back in 2005, Congress allowed companies to repatriate overseas income with very minor double taxation effects for one year. The result was the repatriation of \$318 billion of deferred overseas earnings, resulting in a windfall in corporate taxes of \$18 billion. Another round of low-tax or even tax-free repatriation would be a good idea for both economic growth and increasing tax revenue without raising taxes.

Read more: http://www.atr.org/grover-norquist-outlines-recommendations-obama-debt-a5252#Territorial#ixzz126l0EIY9

http://www.atr.org/grover-norquist-outlines-recommendations-obama-debt-a5252#Territorial

Exhibit B: Mr. Griffin said at the last two debates that he is a firm supporter of the Flat Tax, according to the conservative Heritage Foundation: one of the fundamental aspects of the flat tax is "territorial" taxation. Territorial is a very nice way of saying you oppose closing the overseas taxation loophole.

Territorial Taxation. Flat tax proposals are based on the commonsense notion of "territorial taxation," meaning that governments should tax only income that is earned inside national borders. By getting rid of "worldwide taxation," a flat tax enables U.S. taxpayers and companies to compete on a level playing field around the world.

- Heritage Foundation

A Brief Guide to the Flat Tax, Daniel Mitchell, Ph.D.

Exhibit C: Mr. Griffin likes to tout his support from the National Association of Manufacturers and the U.S. Chamber of Commerce, both of who are against closing the loophole for overseas taxes.

Official Policy Position of National Association of Manufacturers

Tax policy plays a critical role of the ability of the manufacturers to thrive in the United States and effectively compete in our global economy.

Click Here for the NAM's Complete Official Policy Position on Tax Issues »

FROM N.A.M WEBSITE

1.05e. Territorial System

If policy makers consider moving away from a worldwide tax system as many of our major trading partners have done, any new "territorial" or exemption system should be structured to enhance U.S. competitiveness, not to raise revenue. Consideration of any territorial system should be based on the principle that there should be no double tax burden imposed by the United States. At a minimum, a new system must exempt all active foreign earnings from taxation and avoid the imposition of a stealth tax on foreign earnings through expense allocations. No other country that has adopted a territorial system employs a cumbersome and complex expense allocation rule.

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Letter Opposing Changes to the International Tax Regime

Release Date: Thursday, April 15, 2010

U.S. Chamber of Commerce

April 15, 2010

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses and organizations of every size, sector, and region, strongly opposes changes to the international tax regime, such as those as proposed in the Administration's FY2011 budget.

The Chamber urges Congress to reject repealing provisions of the international tax code simply to raise revenue. Companies already are facing approximately \$500 billion in onerous new taxes under the health care legislation over the next 10 years. In order to keep American worldwide companies competitive, create and maintain jobs in America, and keep foreign investment flowing into the U.S. economy, Congress cannot impose punitive taxes every time they seek to spend money, especially when these tax increases are targeted at the very employers that are in the best position to hire and keep the U.S. economy strong.

The existing U.S. international tax system has evolved over time. While it is a patchwork approach to international taxation, these provisions are fundamental pieces of the U.S.

tax system; they represent the delicate balance necessary to stimulate the growth of American worldwide companies while simultaneously attracting foreign investment, which is a valuable source of capital for the U.S. economy. Changes to these provisions, such as deferral, the foreign tax credit regime, the 80/20 company rules, the treatment of treaty benefits for certain deductible payments, transfer pricing, and the dual capacity rules cannot be considered lightly or in isolation. The consequences of such changes must be broadly considered for their impact on the U.S. economy, American workers, and global competitiveness.

Congress has indicated its willingness to go down this slippery slope. In H.R. 4849, the "Small Business and Infrastructure Jobs Tax Act of 2010," the House voted to repeal the 80/20 company rules and to limit the treaty benefits of certain deductible payments. Changes to these provisions would deter foreign investment in the United States and have a negative impact on the U.S. economy. Congress has already moved ahead and made changes to these provisions to pay for unrelated initiatives and incentives, while unfortunately ignoring the detrimental and discriminatory effects of these taxes.

The Chamber strongly opposes any changes to international tax provisions which would adversely affect the competitiveness of American worldwide companies, would hinder the ability of companies to create jobs, or would upset the flow of foreign capital into the United States. The Chamber looks forward to working with Congress to ensure that the U.S. tax code allows worldwide American companies to remain competitive and encourages foreign investment in the United States.

Sincerely,

R. Bruce Josten

Letter Opposing a Provision, Included in H.R. 847, the "James Zadroga 9/11 Health and Compensation Act of 2010," Related to the Taxation of Foreign Owned Companies

Release Date: Tuesday, September 28, 2010

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The Chamber strongly opposes a tax on foreign-owned companies doing business in the United States. The provision included in H.R. 847 would raise taxes on foreign corporations that invest and create jobs domestically, would discourage foreign

investment in the United States, override long-standing tax treaties, damage U.S. relationships with major trading partners, and could prompt retaliation by foreign governments against U.S. companies operating abroad.

FACT #6: TIM GRIFFIN SAID WALL STREET REFORM WAS "BAD" FOR ARKANSAS

Tim Griffin Website 7/21/10 Dodd-Frank Bad for Arkansans

What Mr. Griffin Opposed:

1. Holding Wall Street Accountable

The financial crisis was the result of a fundamental failure from Wall Street to Washington. Wall Street took irresponsible risks that they didn't fully understand and Washington did not have the authority to properly monitor or constrain risk-taking at the largest firms. When the crisis hit, they did not have the tools to break apart or wind down a failing financial firm without putting the American taxpayer and the entire financial system at risk.

Taxpayers Will Not Have To Bear The Costs Of Wall Street's Irresponsibility. If a firm fails in the future it will be Wall Street – not the taxpayers – that pay the price.

"Proprietary Trading" Will Be Separated From The Business of Banking. The "Volcker Rule" will ensure that banks are no longer allowed to own, invest, or sponsor hedge funds, private equity funds, or proprietary trading operations for their own profit, unrelated to serving their customers. Responsible trading is a good thing for the markets and the economy, but firms should not be allowed to run hedge funds and private equity funds while running a bank.

Ending Bailouts. No firm should be "Too Big To Fail". Reform will constrain the growth of the largest financial firms; restrict the riskiest financial activities; and create a mechanism for the government to shut down failing financial companies without precipitating a financial panic that leaves taxpayers and small businesses on the hook.

2. Protecting American Families From Unfair, Abusive Financial Practices

Too many responsible American families have paid the price for an outdated regulatory system that left our financial system vulnerable to collapse and left families without adequate

protections. We must protect and empower families with the strongest consumer protections ever.

An Independent Bureau of Consumer Financial Protection Will Set And Enforce Clear, Consistent Rules For The Financial Marketplace. A single consumer bureau will set clear rules of the road and ensure that financial firms are held to high standards. For example:

- For families who want to buy a home: The piles of forms needed for a regular mortgage can be overwhelming, and many brokers have taken advantage of that confusion to give borrowers loans they didn't need or couldn't afford. The new consumer financial protection bureau will take steps to consolidate and simplify with plain language two overlapping and sometimes inconsistent federal mortgage forms. The bureau will, for the first time, provide ongoing federal oversight of both nonbank companies and banks in the mortgage market and protect borrowers from unfair, deceptive or other illegal mortgage lending practices.
- **For families with credit cards:** The new consumer financial protection bureau will enforce the new credit card law signed by President Obama that bans rate hikes on existing balances and other unfair practices. For families who have used credit cards to get by when times are tight, the law will give them clarity on the interest rates they are charged.
- For families caught by unexpected overdraft fees: Many households have been automatically enrolled in expensive overdraft programs. These programs can hit consumers with costly overdraft fees for even the smallest purchases. For example, the FDIC found that the average overdraft charge for a single purchased item—like a \$2 cup of coffee—is \$30 at banks with assets more than \$1 billion. The new consumer financial protection bureau will enforce new rules that give consumers a real choice as to whether to join expensive overdraft programs so that they are not unknowingly charged unnecessary fees. [FDIC, "FDIC Study of Bank Overdraft Programs" (November 2008) at Table IV-3]

Until Now, There Have Been Seven Different Regulators With Authority Over The Consumer Financial Services Marketplace. Accountability has been lacking because responsibility is diffuse and fragmented. In addition, many mortgage lenders and mortgage brokers were almost completely unregulated. All that will change..

3. Closing The Gaps In Our Financial System

We depserately needed to modernize our financial system and take the necessary steps to close the gaps in our system and eliminate regulatory arbitrage.

Reform Will Address the Gaps that led to Regulatory Failure – At Its Peak, The "Shadow Banking System" Financed About \$8 Trillion In Assets. In the lead-up to the financial crisis, our regulatory system as a whole failed. One of the greatest weaknesses of our financial system was the risk that built up in the "shadow banking" system where there was explosive growth in a range of financial firms that acted much like banks – but operated without oversight.

Market Discipline Was Not Enough. Relying on market discipline to compensate for weak regulation and then leaving it to the government to clean up the mess was not a good strategy for economic growth nor financial security.

Our Financial System Will Have Clear Accountability. There is no substitute for vigorous, consistent enforcement of the laws governing the financial system. But each regulator should have a clear mission and the authority to execute that mission.

- Gaps and loopholes that allowed large firms like AIG to avoid strong, comprehensive federal oversight will be eliminated.
- To achieve accountability, one entity will have the responsibility and the authority to supervise the most complicated firms.

4. Reform is Critical to Market Certainty and Stable Growth

Reform is central to providing a foundation for stable growth. Our financial system is most competitive when our system is stable, resilient and transparent.

Reforms Will Make The Financial Industry And The Markets They Operate In Stronger, Safer, And More Competitive.

- Clearer accountability in supervision and regulation so that financial firms can
 operate under a coherent set of rules and expectations without the current
 regulatory arbitrage opportunities that allow some firms to "game the system."
- Stronger capital buffers to increase the ability of financial companies to weather the ups and downs of financial markets.

- Lesser concentration of risk among the largest financial firms so that any one firm can fail without creating a domino effect throughout the entire financial system that jeopardizes jobs, family savings and the entire economy.
- Greater transparency in the derivatives market that will make the system safer by providing regulators with the data they need to manage systemic risk and help ensure the integrity of financial markets so we can prevent future AIG-like disasters.

Comprehensive Reform Will Help Generate Innovation And Economic Growth. A key test of a strong financial system is whether or not it effectively channels savings to finance future innovation. The old system produced waves of credit bubbles and real estate booms followed by severe financial shocks and damage. Under reform, the financial system serve not only short-term profits, but long-term growth, entrepreneurship, and savings.

Leading the Way on International Financial Reform. We have worked in parallel with our international partners to make sure that as we move to reform and strengthen our financial system at home, the G20 is moving to implement reforms to achieve a level playing field.