

AD FACTS: Ending Spending Action Fund: “Cronyism” (TV: 60)

SUMMARY

Organization: Ending Spending Action Fund

Ad: “Cronyism”

Media: TV: 60

TV AD FACTS

On Screen	Voice Over	Ad Facts
Since Jeanne Shaheen went to Washington...	Since Jeanne Shaheen went to Washington, New Hampshire families have struggled.	
<p>Gas prices doubled</p> <p>Higher health care costs</p> <p>Higher taxes</p> <p>Record national debt</p>	<p>Gas prices doubled, higher health care costs, higher taxes, record national debt.</p>	<p>Since Jeanne Shaheen Has Taken Office, The Price Of A Gallon Of Gas Has Increased By \$2.00 (110%)</p> <ul style="list-style-type: none"> • THEN: In January 2009, The Average Price Of Retail Gasoline In New England Was \$1.81 Per Gallon. (“New England (PADD 1A) All Grades All Formulations Retail Gasoline Prices (Dollars per Gallon)” U.S. Energy Information Administration, Accessed 5/30/14) • NOW: In July 2014, The Average Price Of Retail Gasoline In New England Was \$3.81 Per Gallon. (“New England (PADD 1A) All Grades All Formulations Retail Gasoline Prices (Dollars per Gallon)” U.S. Energy Information Administration, Accessed 8/21/14) <p>In New Hampshire, Premiums Under ObamaCare Are Slated To Increase By An Average Of 15 Percent. (“A Preliminary Look At 2015 Individual Market Rate Filings,” PriceWaterhouseCoopers, 8/11/14)</p> <p>December 2013: “Health Care Costs In New Hampshire Continue To Rise ...” “Health care costs in New Hampshire continue to rise, and individuals are paying a larger share of those costs, according to a new report from the</p>

state Insurance Department out yesterday. ... Health care prices in 2014 are set to increase about 8.1 percent, less than the 8.7 percent increase from 2013, according to the report. But while premiums increased only about 1 percent in 2012, down from a 3.8 percent increase in 2011, consumers paid more out of pocket than in the previous year: more than 20 percent of total claims in 2012, up from 18 percent in 2011.” (Sarah Palermo, “Prices Up, Use Down In New Hampshire Health Care Market,” [Concord Monitor](#), 12/18/13)

Under ObamaCare, New Hampshire’s Premiums For “A Mid-Range Plan” Will Be Higher Than The National Average. “When new health insurance markets launch next week, the sticker-price premiums for a mid-range plan in New Hampshire will be a bit higher than the national average.” (Holly Ramer, “NH Affordable Care Act Premiums Above Average,” [The Associated Press](#), 9/25/13)

Shaheen’s Vote For ObamaCare Was A Vote For The Health Insurance Tax. (H.R. 3590, [Roll Call Vote #396](#): Passed 60-39, 12/24/09, Shaheen Voted Yea)

- **Health Insurance Tax Will Raise Taxes By \$116 Billion Through 2023.** “As Congress returns from recess, expect to hear more about the health insurance tax, or HIT, as it’s known, a levy in the health care law to raise \$116 billion through 2023. That money, in turn, is supposed to help finance expanded coverage.” (Brett Norman, “Health Insurance Tax Faces Challenge,” [Politico](#), 9/9/13)

Since Shaheen Has Been In Office, The National Debt Has Increased By \$7 Trillion

- **The National Debt As Of August 19, 2014:**

		<p>\$17,692,276,725,427.85. (\$17.7 Trillion) (Treasury Department's Debt To The Penny, Accessed 8/21/14)</p> <ul style="list-style-type: none"> • When Shaheen Took Office On January 6, 2009, The National Debt Was \$10,638,425,746,293.80 (Treasury Department's Debt To The Penny, Accessed 8/28/13)
<p>Shaheen's Wealth Has Surged while in Public Office</p>	<p>But official records show Shaheen's wealth has surged while in public office.</p>	<p>In 2008, Shaheen's First Year As A Senator, Her Estimated Net Worth Was \$3.4 Million Giving Her The Rank Of The 40th Wealthiest Senator. (Center For Responsive Politics, Accessed 8/20/14)</p> <p>In 2012, Shaheen's Estimated Net Worth Was \$5.4 Million Giving Her The Rank Of The 27th Wealthiest Senator. (Center For Responsive Politics, Accessed 8/20/14)</p>
<p>"...Shaheen's family was profiting from her votes..." -Union Leader, 6/29/14</p> <p>"The scandal of cronyism" - Union Leader, 6/29/14</p> <p>"Shady Stock Deal" - Washington Free Beacon, 6/27/14</p> <p>"...conflict of interest." -Union Leader, 8/6/09</p>	<p>News reports raise questions about Shaheen's family profiting from her votes in Congress, a shady stock deal and a conflict of interest.</p>	<p>Pull Quote: "The Globe's implication was that because Bill Shaheen held Ultrawave stock options, Shaheen's family was profiting from her votes on federal funding." (Editorial, "U.S. Sen. Jeanne Shaheen's Stimulus: The Scandal Of Cronyism," The Union Leader, 6/29/14)</p> <p>Pull Quote: "U.S. Sen. Jeanne Shaheen's Stimulus: The Scandal Of Cronyism." (Editorial, "U.S. Sen. Jeanne Shaheen's Stimulus: The Scandal Of Cronyism," The Union Leader, 6/29/14)</p> <p>Pull Quote: "Shaheen To Amend Financial Disclosure After Accusations Of Shady Stock Deal." (CJ Ciaramella, "Shaheen To Amend Financial Disclosure After Accusations Of Shady Stock Deal," Washington Free Beacon, 6/27/14)</p> <p>Pull Quote: "No one should expect Bill Shaheen to stop consulting on Washington issues because his wife and a former colleague are in Congress. But given the ties here, all three parties need to take care to avoid what an average citizen would take to be a</p>

		<p>conflict of interest.” (Editorial, “Connected; A Shaheen-Hodes Advantage,” <i>The Union Leader</i>, 8/6/09)</p>
<p>Shaheen vote on stimulus funding raises questions -Union Leader, 6/25/14</p> <p>“...a family financial stake...” - Boston Globe, 6/24/14</p>	<p>Like Shaheen’s vote for Washington’s failed stimulus, which gave taxpayer dollars to a company financially tied to her family.</p>	<p>Headline: “Shaheen Vote On Stimulus Funding Raises Questions.” (“Shaheen Vote On Stimulus Funding Raises Questions,” <i>The Union Leader</i>, 6/25/14)</p> <p>On February 13, 2009, Sen. Jeanne Shaheen Voted For The Stimulus. (H.R. 1, CQ Vote #64: Adopted (thus cleared for the president) 60-38; R 3-38; D 55-0; I 2-0, 2/13/09, Shaheen Voted Yea)</p> <p>In 2009, Her Husband Became An Adviser To Ultrawave Labs, A Company Developing Technology To Detect Breast Cancer. “But Shaheen has also had a family financial stake in the research. In 2009, her husband, William, became an adviser to a Southern California startup, Ultrawave Labs Inc., that was developing new imaging technology to detect breast cancer and acquired stock options in the firm. (Noah Bierman and Todd Wallace, “Similarity In Shaheen Cause, Family Interests,” <i>The Boston Globe</i>, 6/24/14)</p> <p>In 2009, Ultrawave Received \$78,000 In Federal Stimulus Funding From The National Science Foundation. “That same year, Ultrawave received \$78,000 in federal stimulus funding and later paid a Washington company to lobby both houses of Congress and several government agencies, including the Department of Defense, on breast cancer funding, dovetailing with the senator’s own work to support the Pentagon’s breast cancer program.” (Noah Bierman and Todd Wallace, “Similarity In Shaheen Cause, Family Interests,” <i>The Boston Globe</i>, 6/24/14)</p>
<p>“...acquired stock options...” - Boston Globe, 6/24/14</p> <p>Shaheen to amend financial</p>	<p>Shaheen’s family got stock options, then failed to properly report them, raising ethical questions.</p>	<p>In 2009, Her Husband Became An Adviser To Ultrawave Labs, And “Acquired Stock Options In The Firm.” “But Shaheen has</p>

disclosure after accusations of shady stock deal
- Washington Free Beacon,
6/27/14

also had a family financial stake in the research. In 2009, her husband, William, became an adviser to a Southern California startup, Ultrawave Labs Inc., that was developing new imaging technology to detect breast cancer and acquired stock options in the firm. (Noah Bierman and Todd Wallace, "Similarity In Shaheen Cause, Family Interests," [The Boston Globe](#), 6/24/14)

Pull Quote: "Shaheen To Amend Financial Disclosure After Accusations Of Shady Stock Deal." (CJ Ciaramella, "Shaheen To Amend Financial Disclosure After Accusations Of Shady Stock Deal," [Washington Free Beacon](#), 6/27/14)

"Shaheen To Amend Disclosure Form To Fix Error On Stock In Stimulus-Funded Firm." (John DiStaso, "Shaheen To Amend Disclosure Form To Fix Error On Stock In Stimulus-Funded Firm," [NH Journal](#), 6/26/14)

June 24, 2014: It Was Reported Shaheen's Personal Financial Disclosure Inaccurately Portrayed Her Husband's Stock Options In Ultrawave. "The campaign said that they recently learned that Shaheen's stock options have since expired, so he did not wind up profiting from the transaction. The campaign would not disclose when the stock options expired." (Noah Bierman and Todd Wallace, "Similarity In Shaheen Cause, Family Interests," [The Boston Globe](#), 6/24/14)

June 26, 2014: After Being Questioned By The Media, Shaheen's Spokesman Said She Would Amend Her Disclosure Form. "A Shaheen spokesman had told the New Hampshire Union Leader and other media outlets that William Shaheen's stock options in Ultrawave had expired before they were acted on. But the Republican committee pointed out that, according to Shaheen's 2013 Senate disclosure form, the options didn't expire until 2019. Shaheen

		<p>spokesman Harrell Kirstein said on Thursday that the form would be amended to reflect the fact that the options had in fact expired.” (Ted Siefer, “Sen. Shaheen To Amend Her Financial Disclosure Form,” The Union Leader, 6/26/14)</p> <p>July 8, 2014: Shaheen Filed An Amendment With The Secretary Of The Senate To Correct Ten Different Mistakes For 2008 – 2013, Including The Ultrawave Stock Options. (Sen. Jeanne Shaheen, Amendment To 2013 Financial Disclosure Report, 7/8/14)</p>
<p>“...Shaheen's willing participation in the pay-for-play scheme that is the federal appropriations process.” -Union Leader, 6/29/14</p> <p>“...cashing-in on close connections.” -Union Leader, 8/6/09</p>	<p>The Shaheen family law firm even tried to profit by helping clients “grab a share” of taxpayer money designed to help “jump-start” our ailing economy.</p>	<p>Pull Quote: “But it seems to us that the real issue here is Shaheen's willing participation in the pay-for-play scheme that is the federal appropriations process.” (Editorial, “U.S. Sen. Jeanne Shaheen's Stimulus: The Scandal Of Cronyism,” The Union Leader, 6/29/14)</p> <p>Pull Quote: “Shaheen & Gordon’s new stimulus team has the appearance of a grand cashing-in on close connections.” (Editorial, “Connected; A Shaheen-Hodes Advantage,” The Union Leader, 8/6/09)</p> <p>Boston Globe: “The firm, Shaheen & Gordon, has a government relations arm and set up a ‘stimulus opportunities team’ in 2009 to help clients grab a share of the American Recovery and Reinvestment Act passed that year to help jump-start the economy.” (Noah Bierman and Todd Wallace, “Similarity In Shaheen Cause, Family Interests,” The Boston Globe, 6/24/14)</p> <p>On February 10, 2009, Three Days Before His Wife Voted For The Final Version Of The Stimulus, Shaheen’s Law Firm Announced It Would Set Up A Team Dedicated To Getting Stimulus Cash For Clients. “Shaheen & Gordon, P.A. is proud to announce its Stimulus Opportunities Team to help public and private sector clients seize opportunities available in the</p>

		American Recovery and Reinvestment Act of 2009.” (Shaheen & Gordon, “Introducing Our Stimulus Opportunities Team,” News Blog , 2/10/09) On February 13, 2009, Sen. Jeanne Shaheen Voted For The Stimulus. (H.R. 1, CQ Vote #64: Adopted (thus cleared for the president) 60-38; R 3-38; D 55-0; I 2-0, 2/13/09, Shaheen Voted Yea)
Shaheen family gets richer Washington has changed Jeane Shaheen	The Shaheen family gets richer. New Hampshire families get the bill. Washington has changed Jeanne Shaheen.	
ENDING SPENDING ACTION FUND PAID FOR AND IS RESPONSIBLE FOR THE CONTENT OF THIS ADVERTISING. NOT AUTHORIZED BY ANY CANDIDATE OR CANDIDATE’S COMMITTEE. WWW.ENDINGSPENDINGFUND.ORG	Ending Spending Action Fund is responsible for the content of this advertising.	

PRIMARY ARTICLES

Shaheen Support, Ties To Breast Cancer Research Scrutinized

By Noah Bierman and Todd Wallack

June 24, 2014

The Boston Globe

<http://www.bostonglobe.com/news/nation/2014/06/24/jeanne-shaheen-and-husband-earned-last-year-newly-released-tax-returns-say/LGzkYIZPgoY99MyZSdFo2H/story.html>

Senator Jeanne Shaheen has been a strong advocate for spending government money to fight breast cancer. The New Hampshire Democrat has signed letters since she entered the Senate five years ago seeking \$150 million to maintain a Defense Department breast cancer research program — despite objections by some other lawmakers — and last year, she endorsed an initiative to “end breast cancer” by 2020.

But Shaheen has also had a family financial stake in the research. In 2009, her husband, William, became an adviser to a Southern California startup, Ultrawave Labs Inc., that was developing new imaging technology to detect breast cancer and acquired stock options in the firm.

That same year, Ultrawave received \$78,000 in federal stimulus funding and later paid a Washington company to lobby both houses of Congress and several government agencies, including the Department of Defense, on breast cancer funding, dovetailing with the senator’s own work to support the Pentagon’s breast cancer program. The stimulus money was from the National Science Foundation, not the Department of Defense.

The Shaheens declined multiple requests for interviews and would not answer most detailed questions about their investments and connection to the firm. In a statement, the campaign said William Shaheen has not been an adviser to the company “for several years.” The campaign said that they recently learned that Shaheen’s stock options have since expired, so he did not wind up profiting from the transaction. The campaign would not disclose when the stock options expired. Jeanne Shaheen’s Senate office also pointed to the Democratic lawmaker’s history of advocating for women’s health dating back decades, including a law she signed as governor requiring insurers to cover reconstructive surgery after a mastectomy.

Senate rules do not explicitly bar members from voting on items related to their own or family investments — except for earmarks or other legislation that only benefits a handful of people. “As a public official, she, as always, abides by the letter and the spirit of the law, in disclosure, in avoiding conflicts of interest and in fulfilling all her responsibilities,” campaign spokesman Harrell Kirstein said in a statement.

Ultrawave also played down the issue.

“Jeanne Shaheen had no role and no involvement in the company,” Robert P. Hart, an Ultrawave attorney, said in an e-mail. Neither Jeanne nor William Shaheen was “asked to provide or provided any help or support in obtaining any government funding.”

A government ethics watchdog said such relationships present issues that voters should consider. “It absolutely is a concern,” said Charlton Copeland, former chair of the Miami-Dade Commission on Ethics and Public Trust and a professor at the University of Miami. “It raises questions because so much of the work of this kind of policymaking takes place outside of the specter of the public eye.” Shaheen, a former governor who has spent most of her career in public service, listed no assets of her own beyond her savings and checking account on her financial disclosure form filed with the Senate. The campaign said the family home in Madbury is under her name.

But her family has a diverse range of business interests.

Shaheen’s husband, a former US attorney, is a partner in one of the most politically connected law firms in New Hampshire. He also serves as chief executive for a small software company, and owns stakes in several commercial properties and businesses, including a hair salon. He also has occasionally become the lender of last resort for some desperate New Hampshire residents. Though many politicians are wealthy, some have taken steps to avoid potential conflicts by turning over their investments to an outside adviser or setting up a blind trust. Former US representative Barney Frank told audiences that he only invested in Massachusetts municipal bonds because he could never be accused of a conflict of interest for trying to help his home state.

A Washington Post study in 2012 found that dozens of members of Congress sponsored or cosponsored legislation that could benefit themselves or family members. Such moves can sometimes become issues in campaigns.

“Whenever someone — a member or a spouse — has a significant number of investments, certainly that can increase the potential for a question about a conflict,” said Robert L. Walker, a former chief counsel and staff director of both the Senate and House ethics committees whose law firm, Wiley Rein LLP, predominantly represents Republicans.

But the law rarely requires members to recuse themselves or sell their interest in investments, he said.

The Shaheens declined to estimate their net worth, though their financial disclosure form indicates they have assets worth between \$3.7 million and \$7.9 million (not counting the value of their home) and liabilities of between \$2 million and \$4.2 million.

In tax returns released Tuesday, the Shaheens reported they earned just over a half-million dollars last year, far more than the median household income of \$65,000 in New Hampshire but not unusual for sitting senators or candidates. Former Massachusetts senator Scott Brown, who is seeking the Republican nomination to face off against Shaheen in the November election, released tax returns last week indicating that he earned \$474,000 last year.

The Shaheen campaign said the couple's investments are generally listed in William Shaheen's name alone because "he makes all decisions on and controls those investments and interests."

Both Democrats and Republicans have made personal finances a key issue in the New Hampshire Senate race by attacking Brown for his ties to a controversial Florida penny stock and for obtaining an extension to file his own financial disclosure form.

Brown released eight years of tax returns last week, and also filed his financial disclosure form with the Senate.

Shaheen has started to face questions about her husband's business, including his law practice. The firm, Shaheen & Gordon, has a government relations arm and set up a "stimulus opportunities team" in 2009 to help clients grab a share of the American Recovery and Reinvestment Act passed that year to help jump-start the economy.

Republicans have pointed out that Shaheen voted for the stimulus, and have challenged the stimulus business venture as a conflict of interest. The firm, in a statement released by the campaign, said the stimulus practice was short-lived, had no clients, and that William Shaheen was not involved in it. But public records show that Shaheen has a lengthy list of other interests that have garnered less attention.

In 2004, Shaheen and some friends began investing in another startup, JID Software Partners LLC, which goes by the name NextChoice and markets kiosk software to help customers place their own orders, said Tom Polcaro, the company's president.

Shaheen owns one-third of the company, worth between \$500,000 and \$1 million, according to Jeanne Shaheen's financial disclosure form. And William Shaheen is listed on the firm's website as the chief executive, though Polcaro said Shaheen actually has "more of an advisory" role. The Shaheens reported six-figure losses in the investment on their tax returns.

The Shaheens faced embarrassing publicity last year after BuzzFeed reported that their daughter Molly used the family's homestead in New Hampshire as the corporate address for her company, a lingerie maker named Naked Undies, even though Molly and the other founder are based in Los Angeles, according to the company's website.

William Shaheen is listed as the company's legal contact on corporate filings in New Hampshire and the company website mentions that Molly is the daughter of New Hampshire's first female governor and senator.

Naked Undies was founded in 2011 and continued to use the New Hampshire address in its annual report filed in March. Molly Shaheen and the firm did not respond to interview requests.

Meanwhile, Jeanne Shaheen has been a vociferous opponent of federal efforts to force Internet retailers to collect sales tax from out-of-state customers. One such measure she opposed would have required companies with more than \$1 million in online revenues to collect out-of-state sales taxes. Shaheen's office said the proposed legislation would not affect Molly Shaheen's business because its revenues are well under \$1 million.

The Shaheens also wouldn't answer many of the Globe's questions about their ties to Ultrawave, a small privately held Garden Grove, Calif., firm that says it is in the early stages of working on "breakthrough" imaging technology that could potentially help detect breast cancer.

William Shaheen, who originally met an Ultrawave cofounder through one of his other ventures in 2006, became an Ultrawave adviser in 2009, helping to introduce the company to potential investors and partners. He also acquired stock options in the company in November 2009 that the Shaheens estimated were worth between \$1,000 and \$15,000 at the time, shortly after the firm received stimulus funding. From 2010 to 2012, it paid a lobbyist to work with Congress and the federal government on additional breast cancer research programs.

Neither the company nor the Shaheens would say exactly when Shaheen began advising the company or when his stock options in the firm expired.

Jeanne Shaheen was in a position to be particularly influential over breast cancer research because she has roles on both the Armed Services Committee and an appropriations subcommittee overseeing health research.

One of the programs Shaheen has supported — funding breast cancer research through the military — has sparked debate.

Critics, including Republican Senator Tom Coburn of Oklahoma, complain the program is wasteful because it detracts from the Defense Department's core mission and duplicates research done through other government programs. But advocates, such as the National Breast Cancer Coalition, argue the program's unique structure allows it to support high-risk research that isn't being funded elsewhere. Ultrawave, however, insisted that government funding only accounted for a fraction of its funding and it never sought any earmarks — grants specifically set aside for the company.

And Kirstein, Shaheen's campaign spokesman, argued the family's investments and businesses are irrelevant because they are not in her name: "Senator Shaheen's husband William and their daughter Molly are private citizens and they are not on the ballot this November."

U.S. Sen. Jeanne Shaheen's Stimulus: The Scandal Of Cronyism

Editorial

The Union Leader

June 29, 2014

<http://www.unionleader.com/apps/pbcs.dll/article?AID=/20140629/OPINION01/140629032>

The Boston Globe reported last week that in 2009 Jeanne Shaheen's husband became an adviser to a breast cancer research firm named Ultrawave Labs, which that same year received \$78,000 in federal stimulus funding Shaheen voted to approve. The Globe's implication was that because Bill Shaheen held Ultrawave stock options, Shaheen's family was profiting from her votes on federal funding.

The Shaheens did not help themselves by refusing to answer any questions regarding the story. Shaheen should have recused herself from voting on the stimulus bill because of its funding of

Ultrawave. She will have to answer for the consequences of that vote. But it seems to us that the real issue here is Shaheen's willing participation in the pay-for-play scheme that is the federal appropriations process.

Shaheen believes it is her job as a U.S. senator to distribute taxpayer money to activities she favors. Funding for breast cancer research? Sure, here are tens of thousands of dollars. Funding for "green energy?" Sure, here are tens of millions of dollars. But the companies that receive this taxpayer-financed support are inevitably the best-connected ones, like Solyndra, or Ultrawave.

Shaheen complains about big-money influence in politics while engaging in the very behavior that encourages companies to hire lobbyists and senators' spouses to obtain the connections necessary to access federal money. This is crony capitalism - and Jeanne Shaheen is one of the cronies.

Connected: A Shaheen-Hodes Advantage
Editorial
The Union Leader
August 6, 2009

If a U.S. senator described last year by Washington Post columnist David Broder as "exceptionally well connected with Democratic powers" had an equally well-connected spouse whose firm profited by teaching businesses how to claim federal stimulus money, would you consider that a conflict of interest?

This spring, the law firm run by Sen. Jeanne Shaheen's husband, Bill, created a "Stimulus Opportunities Team to help public and private sector clients seize opportunities available in the American Recovery and Reinvestment Act of 2009."

By the way, Rep. Paul Hodes formerly worked for this same firm.

Who gets what from Washington is often decided by insider relationships. Shaheen & Gordon's new stimulus team has the appearance of a grand cashing-in on close connections. No one should expect Bill Shaheen to stop consulting on Washington issues because his wife and a former colleague are in Congress. But given the ties here, all three parties need to take care to avoid what an average citizen would take to be a conflict of interest.

Shaheen Vote On Stimulus Funding Raises Questions
Editorial
The Union Leader
June 25, 2014

<http://www.unionleader.com/apps/pbcs.dll/article?AID=/20140625/NEWS0605/140629348>

New Hampshire Republican State Committee Chairman Jennifer Horn on Wednesday called on Sen. Jeanne Shaheen to fully address unanswered questions about her financial interests in a company that received federal stimulus funding.

Shaheen voted for the \$787 billion stimulus program, and her husband works for a prominent lobbying firm that helped clients get some of the federal money. He also worked as an adviser to the firm.

In 2009, Bill Shaheen became an adviser to a Southern California startup, Ultrawave labs, which was developing new technology to screen for breast cancer. Around the same time his firm, Shaheen and

Gordon, created a “Stimulus Opportunities Team.”

The New Hampshire Democrat also signed letters seeking \$150 million to maintain a Defense Department breast cancer research program. Ultrawave eventually received \$78,000 in federal stimulus funding.

“Today’s report raises very serious ethical questions about Sen. Shaheen’s finances and a conflict of interest involving her husband’s lobbying firm,” said Horn, referring to an article in the Boston Globe. “She has long championed the wasteful stimulus boondoggle, and it’s troubling to learn that she financially benefited from a company that received stimulus funding.”

A Shaheen campaign spokesman denied that the family benefited from the federal support for Ultrawave, saying Bill Shaheen had stock options in the company, but they were never exercised.

Mike Noonan, managing director and president of Shaheen and Gordon, said the Manchester law firm’s Stimulus Opportunities Team existed for a very brief time.

“Mr. Shaheen was not the firm’s managing partner at that time and was not a member of the team,” he said.

Harrell Kirstein, communications director at the Shaheen campaign office, said the senator’s support for breast cancer research had nothing to do with Ultrawave.

“Jeanne Shaheen is proud to be a leader in the fight to improve women’s health care and has been for more than 20 years,” he said. “Any attempt to use her tireless advocacy for women’s health care for political attacks is outrageous. As governor, she signed a law requiring insurers to cover reconstructive surgery after a mastectomy and in the Senate she has been working to expand preventive care, cancer research, and access to family planning resources.”

Republicans maintain that Shaheen’s vote for the stimulus package was a conflict of interest, given her husband’s interest in Ultrawave.

“It absolutely is a concern,” Charlton Copeland, former chair of the Miami-Dade Commission on Ethics and Public Trust and a professor at the University of Miami told the Boston Globe. “It raises questions because so much of the work of this kind of policy-making takes place outside of the specter of the public eye.”

Shaheen To Amend Financial Disclosure After Accusations Of Shady Stock Deal

By CJ Ciaramella

Washington Free Beacon

June 27, 2014

<http://freebeacon.com/politics/shaheen-to-amend-financial-disclosure-after-accusations-of-shady-stock-deal/>

Sen. Jeanne Shaheen (D., N.H.) will amend a personal financial disclosure report to correct what her reelection campaign says is an error, after ethical questions were raised over stock she and her husband own.

The *Boston Globe* [reported](#) Tuesday that Shaheen and her husband have a financial stake in a company that received federal stimulus funding. According to the *Globe*, the Shaheens acquired up to \$15,000 in stock options for the company Ultrawave, which also received \$78,000 in federal stimulus funds.

Shaheen voted for the \$787 billion stimulus, and her husband William Shaheen, who runs a lobbying that briefly had a “stimulus opportunities team” to help clients, advised Ultrawave.

“It absolutely is a concern,” Charlton Copeland, former chair of the Miami-Dade Commission on Ethics and Public Trust and a professor at the University of Miami told the *Boston Globe*. “It raises questions because so much of the work of this kind of policymaking takes place outside of the specter of the public eye.”

According to the *Globe*, “the Shaheens declined multiple requests for interviews and would not answer most detailed questions about their investments and connection to the firm. Personal disclosure reports filed by Shaheen in May still listed the stocks as assets and also say they are not scheduled to expire on Sep. 1, 2019. However, the Shaheen campaign says those stocks have in fact expired.

A Shaheen spokesperson [told](#) a *Concord Monitor* reporter Thursday that Shaheen will amend her financial disclosure statement to correct the information.

New Hampshire Republicans say the disclosure does not clear up questions surrounding the potential conflict of interest.

“It’s clear that Senator Shaheen provided inaccurate information to the Senate Ethics Committee on her personal financial disclosure form,” New Hampshire GOP Chairman Jennifer Horn said in a statement. “This error raises questions about a potential conflict of interest involving the Shaheens and their involvement with a company that received federal stimulus funds. It’s also troubling that these discrepancies were only revealed after the Shaheens faced media scrutiny about their questionable finances. “

Shaheen To Amend Disclosure Form To Fix Error On Stock In Stimulus-Funded Firm By John DiStaso

June 26, 2014

NH Journal

<http://nhjournal.com/updated-shaheen-to-amend-disclosure-form/>

Sen. Jeanne Shaheen faced renewed partisan criticism Thursday after disclosing an error on her official financial disclosure form regarding when her husband’s stock option in a research firm that received federal stimulus funding expired.

Shaheen’s campaign said she would amend the report on 2013 personal finances to remove reference to a stock option listed as valued at “None. Or less than \$201” in Ultrawave Labs, Inc., a California startup that was reportedly developing new imaging technology to detect breast cancer while Shaheen was advocating on Capitol Hill for federal funding for breast cancer research.

The *Boston Globe* reported Wednesday that the senator’s husband, William Shaheen, received a stock option in the firm valued at between \$1,000 and \$15,000 in 2009. That same year, the firm received \$78,000 from the federal stimulus program — the \$787 billion spending plan which Sen. Shaheen’s supported.

According to the Wednesday *Globe* report, the Shaheens would not answer some questions about their investments in and connections to the firm. The campaign initially told the *Globe* William Shaheen has not been an adviser to the company “for several years” and that his stock option had

since expired, so he did not profit from the transaction. The campaign would not disclose to the Globe when the stock option expired.

Thursday, however, a review of Sen. Shaheen's latest personal financial disclosure form showed an entry for an Ultrawave stock option, with the note: "Expires: Sept. 1, 2019," meaning the senator was reporting that her husband still held the option and that it would not expire for another five years.

After the state Republican Party noted in a press release that the financial disclosure form information "directly contradicts" the information the Shaheen campaign had provided to the Globe, the Shaheen campaign said that it had been told by Ultrawave that the stock options actually expired on or before Dec. 31, 2013.

The campaign said that as a result, Sen. Shaheen would amend her disclosure form to the Senate Ethics Committee to remove the reference to the Ultrawave stock option and the 2019 expiration date. The campaign said the stock option had never been exercised.

The discrepancy and promise to amend the form led the NHGOP to again question and criticize Shaheen for what it charged was a "shady stock deal."

"It's clear that Senator Shaheen provided inaccurate information to the Senate Ethics Committee on her personal financial disclosure form," said state GOP chair Jennifer Horn. "This error raises questions about a potential conflict of interest involving the Shaheens and their involvement with a company that received federal stimulus funds.

"It's also troubling that these discrepancies were only revealed after the Shaheens faced media scrutiny about their questionable finances," Horn said.

The Globe report continued to keep personal finances an issue in the Senate race.

Republican former Sen. Scott Brown earlier this month resigned as an adviser to an obscure Florida firm from which he had received stock options valued at \$1.3 million, but which later plunged in value. He said he also relinquished all stock holdings.

Brown made the announcement after being peppered with media questions about his role in and relationship with Global Digital Solutions of West Palm Beach as he officially filed his candidacy for the Senate seat.

(Our earlier report follows.)

(Wednesday, June 26)

CONCORD – The state Republican Party Wednesday called on Sen. Jeanne Shaheen to answer questions raised in a published report that her husband had a financial interest in a firm that received money from the federal stimulus program.

The Boston Globe [reported](#) that while Senator Shaheen strongly backed federal funding for breast cancer research, her husband, William, was an adviser to a California startup, Ultrawave Labs, Inc., that was developing new imaging technology to detect breast cancer. William Shaheen received stock options in the firm valued at between \$1,000 and \$15,000 in 2009, the year the stimulus bill passed. Sen. Shaheen supported the stimulus bill.

That same year, Ultrawave received \$78,000 in federal stimulus funding, and, according to the Globe, the company paid a Washington lobbyist to promote its interests in the U.S. House and Senate.

According to the Globe, the Shaheens “declined multiple requests for interviews and would not answer most detailed questions about their investments and connection to the firm. In a statement, the campaign said William Shaheen has not been an adviser to the company ‘for several years.’ The campaign said that they recently learned that Shaheen’s stock options have since expired, so he did not wind up profiting from the transaction. The campaign would not disclose when the stock options expired.”

“As a public official, she, as always, abides by the letter and the spirit of the law, in disclosure, in avoiding conflicts of interest and in fulfilling all her responsibilities,” campaign spokesman Harrell Kirstein said in a statement.

“Jeanne Shaheen had no role and no involvement in the company,” Robert P. Hart, an Ultrawave attorney, told the Globe in an e-mail. Neither Jeanne nor William Shaheen was “asked to provide or provided any help or support in obtaining any government funding.”

But Charlton Copeland, former chair of the Miami-Dade Commission on Ethics and Public Trust and a professor at the University of Miami, told the Globe, “It absolutely is a concern. It raises questions because so much of the work of this kind of policymaking takes place outside of the specter of the public eye.”

The Globe noted that Shaheen “was in a position to be particularly influential over breast cancer research because of her role on the Armed Services Committee and the appropriations subcommittee that focuses on health services.

Shaheen has long been an advocate of federal assistance for battling breast cancer and has tried to maintain a special breast cancer research program in the Defense Department.

The Globe also reported that while she supported the \$787 billion stimulus, William Shaheen’s law firm, Shaheen and Gordon, set up a “stimulus opportunities team” in 2009 to help clients obtain funds from the stimulus program. While Republicans have said it represented a conflict, the Shaheen campaign told the Globe the stimulus practice was “short-lived, had no clients and that William Shaheen was not involved in it.”

“Today’s report raises very serious ethical questions about Senator Shaheen’s finances and a conflict of interest involving her husband’s lobbying firm,” said state GOP chair Jennifer Horn. “Senator Shaheen has long championed the wasteful stimulus boondoggle, and it’s troubling to learn that she financially benefited from a company that received stimulus funding.

“Billy and Jeanne Shaheen’s refusal to answer basic questions about their involvement with this company raises even more concerns and shows that they may have something to hide. In order to uphold public confidence in her office, Shaheen needs to openly and transparently answer questions about this issue.”

The New Hampshire Democratic Party did not immediately respond to a request for comment on the NHGOP statement.

The Globe report continues to keep personal finances an issue in the Senate race.

Republican former Sen. Scott Brown resigned earlier this month as an advisor to an obscure Florida firm from which he had received stock options valued at \$1.3 million. He said he also relinquished all stock holdings.

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Sen. Shaheen To Amend Her Financial Disclosure Form

By Ted Siefer

The Union Leader

June 26, 2014

<http://www.unionleader.com/article/20140626/NEWS0605/140629172>

A spokesman for U.S. Sen. Jeanne Shaheen said on Thursday that her financial disclosure form would be amended to show that stock options in a breast cancer research company expired.

The move was quickly cast by the Republican State Committee as further evidence that her family engaged in “a shady stock deal” involving the company, Ultrawave Labs Inc.

Ultrawave was the beneficiary of \$78,000 in federal stimulus funding in 2009, the same year William Shaheen, the Democratic senator’s husband, became an adviser to the firm, according to a report in The Boston Globe Tuesday. William Shaheen is a partner in Shaheen & Gordon, the prominent Concord legal and lobbying firm, and it set up a “stimulus opportunities team” in 2009, according to the Globe.

Sen. Shaheen voted in favor of President Obama’s stimulus program.

A Shaheen spokesman had told the New Hampshire Union Leader and other media outlets that William Shaheen’s stock options in Ultrawave had expired before they were acted on.

But the Republican committee pointed out that, according to Shaheen’s 2013 Senate disclosure form, the options didn’t expire until 2019.

Shaheen spokesman Harrell Kirstein said on Thursday that the form would be amended to reflect the fact that the options had in fact expired. He noted that it was not unusual for members of the Senate to amend the disclosure forms.

“Jeanne Shaheen is proud to be a leader in the fight to improve women’s health care and has been for more than 20 years,” Kirstein said. “Any attempt to use her tireless advocacy for women’s health care for political attacks is outrageous. “The Recovery Act did not mention the company, the industry involved, or the grant the company would apply for months later.”

In a news release Thursday, the Republican State Committee noted that Shaheen was amending her form “to correct errors regarding her shady stock deal.”

GOP Committee Chairman Jennifer Horn stated: “It’s clear that Senator Shaheen provided inaccurate information to the Senate Ethics Committee on her personal financial disclosure form. This error raises questions about a potential conflict of interest involving the Shaheens and their involvement with a company that received federal stimulus funds.”

The accusations come after Shaheen agreed to make publicly available her tax returns for the past six years, after Scott Brown — Shaheen's most high-profile Republican rival in the 2014 election — did so and challenged her to do the same.

Introducing Our Stimulus Opportunities Team

Shaheen & Gordon News Blog

February 9, 2009

<http://www.shaheengordon.com/New-Hampshire-Legal-Blog/2009/February/Introducing-Our-Stimulus-Opportunities-Team.aspx>

Shaheen & Gordon, P.A. is proud to announce its Stimulus Opportunities Team to help public and private sector clients seize opportunities available in the American Recovery and Reinvestment Act of 2009.

New Hampshire is slated to receive \$860 million in stimulus funds and the State is engaged in the difficult task of doling out these funds to worthy projects both public and private. Our Team stands ready to assist government and private entities apply for these funds and advance existing applications.

Meet our Team by visiting our new web site devoted to this effort —www.nhstimulushelp.com.

Shaheen Releases Tax Return Documents

Concord Monitor

By Kathleen Ronayne

June 25, 2014

<http://www.concordmonitor.com/home/12511409-95/shaheen-releases-tax-return-documents>

U.S. Sen. Jeanne Shaheen made eight years worth of joint tax returns with her husband, Bill, public yesterday, which revealed the couple made \$505,786 in 2013 and paid a tax rate of 25.14 percent.

The release came five days after Scott Brown, Shaheen's potential Republican challenger, released his and his wife's joint returns and called on Shaheen to do the same. Several weeks before, Shaheen told WMUR that she would release hers if her opponents did. Brown's Republican primary rivals, Jim Rubens and Bob Smith, have not released their tax returns.

Both campaigns made the returns available to reporters for six hours and did not allow photographs or photocopies of the returns. It is uncommon for New Hampshire candidates to release their tax returns, and Shaheen has never done so in her previous statewide and national campaigns.

The Shaheens made more than \$400,000 in each year dating back to 2006, except in 2010, when they brought in \$186,787 after adjustments and paid a tax rate of 6 percent. As a U.S. senator since 2008, Jeanne Shaheen has earned \$174,000 annually. Bill Shaheen's income comes from his work at Shaheen & Gordon, his Concord-based law firm, as well as various investments and real estate properties.

"The majority of the investments and business interests are in Mr. Shaheen's name because he makes all decisions on and controls those investments and interests," campaign spokesman Harrell Kirstein said in a release.

The couple's home in Madbury is in Jeanne Shaheen's name, Kirstein said.

In 2010, the Shaheens' total income was \$522,000 before adjustments, but recorded more than \$300,000 in losses, leaving the gross adjusted income at \$186,000. A large piece of the loss came

through investments in a company called JID Software LLC, an investment that yielded a loss in several other years as well, the documents showed.

Other companies the couple has investments in include Trela Associates, Shaheen Enterprises, Route 125 Associates and Atlas Title LLC. The tax returns for the privately held companies were not released with the Shaheens' returns yesterday, meaning details about the investments were sparse.

Bill Shaheen has made at least several hundred thousand dollars annually at his law firm, including \$456,000 in 2013, and Jeanne Shaheen was out of elected office from 2002 to 2008. Before her 2008 election to the U.S. Senate, she made \$19,000 in speaking and teaching fees in both 2006 and 2007 and \$120,000 as director of Harvard University's Institute of Politics in 2007.

Since 2006, the Shaheens have owned various properties in Conway, Madbury and Gonic, as well as property in York, Maine. According to the documents, the Shaheens purchased a cottage in York in 2005 and recorded \$161,000 in casualty or theft loss on their 2006 returns.

The Shaheens gave between \$9,274 and \$17,439 annually to charity from 2006 to 2013, making up between 2 and 7 percent of their income. The list of organizations they gave to were not included in any of the returns.

Brown and his wife, Gail Huff, made \$474,080 in 2013 and paid an effective tax rate of 24.1 percent. In his unsuccessful 2012 campaign for U.S. Senate in Massachusetts, Brown released six years worth of tax returns at the request of the Boston Globe.