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July 30, 2010

# Ethics Trial Expected for California Congresswoman

By [ERIC LIPTON](#)

WASHINGTON — Representative [Maxine Waters](#), Democrat of California, will face charges of misusing her office and is expected to contest the claims in a House trial, the second powerful House Democrat to opt for such a public airing in recent days, Congressional officials said Friday.

A House ethics subcommittee has charged Ms. Waters, 71, a 10-term congresswoman, in a case involving communications that she had with the top executive of a bank that her husband owned stock in while it was applying for a federal bailout in 2008, two House officials said.

Charges are expected to be announced next week, several Congressional officials said, speaking only on the condition of anonymity because the proceedings remained confidential. Details of the specific accusations of wrongdoing were not available Friday evening.

The expected trial, coming just after the start of a similar proceeding on Thursday for Representative [Charles B. Rangel](#) of New York, would be a modern-day precedent for the House, Congressional officials said. At no time in at least the last two decades have two sitting House members faced a public hearing detailing allegations against them.

It would also be an embarrassment for the [Congressional Black Caucus](#). Ms. Waters and Mr. Rangel

are two of its most revered and long-standing members, and both have spent decades as key leaders in banking and financial services issues in the House.

Mikael Moore, Ms. Waters's chief of staff, declined to comment on the case on Friday, saying that the congresswoman had not been formally notified of any action by the ethics committee.

Ms. Waters, at the time the investigation by the House ethics panel began last fall, was accused of intervening on behalf of OneUnited, a Boston-based bank. The Times reported last year that Ms. Waters called Treasury Secretary [Henry M. Paulson Jr.](#) in 2008, as the economy was in a free fall, to ask him to host a special meeting with executives from black-owned banks.

As a key House player on the Financial Services Committee, Ms. Waters often called Mr. Paulson. He agreed to arrange the requested meeting, The New York Times reported last year.

What Mr. Paulson did not know at the time was that Ms. Waters's husband, Sidney Williams, owned stock in and had served on the board of OneUnited, whose chief executive turned the Treasury headquarters meeting into a special appeal for bailout assistance. The executive of the institution, one of the nation's largest black-owned banks, asked for \$50 million in federal aid, The Times reported.

After articles on the case by The Times and The Wall Street Journal, the [Office of Congressional Ethics](#), an independent watchdog agency, began an inquiry. The office referred the matter to the ethics committee, which charged the subcommittee with opening an examination of Ms. Waters's activities. The four-member subcommittee, which included two Democrats and two Republicans, was led by Representative Kathy Castor, Democrat of Florida.

Because Ms. Waters — like Mr. Rangel — has refused to agree to a proposed settlement, the case is headed toward a House ethics trial, officials said. “She is fighting it,” one House official said Friday.

Ms. Waters made the call to Mr. Paulson on behalf of the National Bankers Association, a Washington-based organization of minority-owned banks. Its incoming chairman, Robert Cooper, was an executive at OneUnited, which had branches in Miami and Los Angeles, part of which Ms. Waters represents.

Mr. Cooper and his boss, Kevin Cohee, the chief executive at OneUnited, ended up dominating the meeting, participants said, and made an unusual request for a special federal bailout.

The Treasury Department officials, in interviews with The Times, said they were taken aback when they later learned about Ms. Waters's ties to the bank. She had once owned stock in the bank, and her husband still did. He had stepped down from the board earlier that year.

Mr. Rangel separately is facing charges that he inappropriately used his office staff to try to line up donations for a New York City educational center being built in his honor, and also that he failed to report income from a beachfront property he had rented out in the Caribbean.

The prospect of two trials playing out as the November election approaches will almost certainly be seized upon by Republicans, who already had been attacking Democrats' moral leadership and questioning whether Speaker [Nancy Pelosi](#) had lived up to her promise to "drain the swamp" of ethics violations in Washington.

The case could still be concluded without trial, if Ms. Waters decided to settle. But if a trial were to take place, it is highly unlikely that it would start before September, as the House began its summer recess on Friday.



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