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POLITICS

ERIC HOLDER UNDER FIRE — AGAIN



By: [Troy Anderson](#)

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Already facing calls for a congressional investigation into his [ties to Georgia's most notorious abortion doctor](#), U.S. Attorney General Eric Holder Jr. may be headed for more trouble.

Documents obtained by Watchdog.org reveal that Holder failed to disclose his wife's ownership of the building where the doctor operated.

The attorney general's financial disclosure reports for 2008 through 2011 show Holder neglected to report his wife's co-ownership, through a family trust, of the building located in the Atlanta suburb of College Park.

Tom Fitton, president of Judicial Watch in Washington, D.C., said he was "surprised there is this trust out there and (Holder) hasn't reported it."

"It looks to me like the sort of thing that should be disclosed. If he and his spouse are gaining income off this trust, generally that would be subject to disclosure," Fitton said. "I mean, if you have an ownership interest, you get the income. You may not be making the day-to-day decisions about the investments, but you are certainly benefiting from them."

Holder did not respond to several requests for comment.

Dana Cody, an attorney and the president and executive director of Life Legal Defense Foundation, a pro-life legal defense organization in Napa, Calif., agreed that Holder should have "disclosed any financial interest he had in the abortion industry."

Under the Ethics in Government Act of 1978, high-level federal officials are required to "disclose publicly their personal financial interests to ensure confidence in the integrity of the federal

government by demonstrating that they are able to carry out their duties without compromising the public trust."

The law further requires disclosure of the "holdings of and income from the holdings of any trust, estate, investment fund or other financial arrangement from which income is received by, or with respect to which a beneficial interest in principal or income is held by, the filer, his spouse, or dependent child."

Those found violating the law can face penalties ranging from criminal and civil fines to imprisonment, according to the U.S. Office of Government Ethics. This includes fines of up to \$50,000 and a maximum of a year imprisonment, if the non-disclosure was done willfully, according to the Office of Government Ethics.

Like any area of the law, this one is subject to interpretation, and some experts said it was possible to argue that the family trust is constructed in a way that allows Holder to deny any interest. Contacted by Watchdog.org in October, Holder's sister-in-law, a co-manager of the trust with Holder's wife, was apparently relying on the trust when she claimed she and her sister did not "technically" own the building.

That explanation didn't fly with Cody and others, however.

"Assuming for the sake of argument that he was not required to do so, or wasn't aware he was required to do so, to avoid an appearance of any wrongdoing, he should have been forthcoming and disclosed the interests his wife holds in the building where (the doctor) operated an abortion clinic," Cody said.

Michael Norton, the former U.S. attorney in the District of Colorado and senior counsel at the Alliance Defending Freedom, also agreed Holder should have disclosed the property in his financial disclosure reports.

"It was not proper for him to not disclose his interests in the building co-owned by his wife," Norton said. "It appears to me to be an conflict of interest that should have been disclosed and, in all candor, requires Mr. Holder to recuse himself from matters of this nature."

Interestingly, though he did not disclose his connection to the abortion practice, Holder did disclose his wife's ownership of a D.C.-area medical practice and her pension.

Even if Holder should have disclosed the relationship, some argued that Holder's interest in the family trust doesn't constitute a formal conflict of interest.

Bob Stern, the former general counsel for the California Fair Political Practices Commission and the former president of the Center for Governmental Studies in Los Angeles, said he disagreed that Holder's wife's interest in the property constitutes a conflict of interest.

"They are accusing him of bias, not legal conflicts," Stern said. "There is clearly no legal conflict. The only conflict question would be whether he was considering the case of the doctor, but even that is questionable. It's a state case, not a federal case. There seems to be no conflict questions."

Fitton agreed Holder's interest in the property isn't a conflict of interest.

"I don't think he has a conflict of interest," Fitton said. "When it comes to the prosecution of pro-life counselors, contrary to the First Amendment, Eric Holder doesn't need a financial interest to do that. He's an ideologue.

"Now, if the renter was specifically subject to action by the Department of Justice — either someone being prosecuted outside his office or directly prosecuted by the Department of Justice — certainly you would look at that more closely in terms of conflicts of interest. But even then, presumably, unless the attorney general himself is making key decisions there, he ... would only need to recuse himself, arguably, if there were decisions he was making related to the person's prosecution, or the prosecution of someone at the building; let's say a pro-life counselor."

Fitton questioned why the "liberal establishment" and media haven't raised more questions about Holder's interest in the property.

"Certainly, if someone like (former U.S. Attorney General John Ashcroft) owned a building that was, for instance, rented to Operation Rescue, or had an ownership interest, however indirect, in a building that rented to Operation Rescue, all the sirens in Washington would be going off among the liberal establishment and the activist groups," Fitton said.

The controversy comes as Georgia Right to Life, the National Black ProLife Coalition, Alveda King, the niece of civil rights leader Martin Luther King, Jr., and other pro-life supporters and organizations have called for a congressional investigation into the matter.

Georgia Right to Life President Dan Becker said in a prepared statement that he was "sickened" by the prospect that Holder's family may have a financial interest in Old National Gynecology, "a troubled Atlanta metro-area abortion site.

"If these allegations are true, it only adds to President Obama's reputation as heading the most extreme pro-abortion administration in history," Becker said. "It also demonstrates that abortion's blood money may reach the highest levels of government."

Becker called on Congress "to conduct a full investigation of this issue in order to ensure that our nation's top law enforcement officials are truly impartial, especially when dealing with the sanctity of life."

King, the pastoral associate and director of African-American Outreach with Priests for Life and founder of King for America, said Holder's interest in the property is a conflict of interest.

"I believe that Mr. Holder's knowledge, or even lack of knowledge, of the connection between his wife and the property has created a conflict of interest because how can he stand in judgment in investigating allegations against any abortion clinic when someone in his family has financial ties to the abortion industry," King said.

On Oct. 31, a Watchdog story detailed Holder's connection to the abortion doctor — a man whom the National Black ProLife Coalition describes as "Planned Parenthood's preferred abortion provider in Georgia."

A statement from the Georgia Department of Law reveals the building was home to Old National Gynecology, the medical practice where Dr. Tyrone Malloy performed abortions. A grand jury indicted Malloy, Old National's owner and operator, and his former office manager, CathyAnn Edwards Warner, on two counts of Medicaid fraud in December 2011.

The indictment alleged Malloy and Warner accepted nearly \$390,000 in federal medical assistance payments for medical office visits associated with the performance of elective abortions and for ultrasound services that were never performed.

Malloy and Warner refused to enter a plea in the case, arguing the indictment was constitutionally flawed. A judge entered a not guilty plea on their behalf and denied their motion challenging the constitutionality of Georgia's Medicaid law. Malloy and Warner appealed to the Georgia Supreme Court. The defendant's brief was due on Nov. 5, but their lawyers sought an extension to Nov. 26.

Fulton County tax records show Holder's wife, Dr. Sharon Malone Holder — an obstetric and gynecological doctor at Foxhall OB/GYN in Washington, D.C. — and her sister-in-law, Margie Malone Tuckson, co-own the building.

In an interview last month, Tuckson told a Watchdog.org reporter that, "We are not technically on this deed." Public documents reviewed by Watchdog.org show the family transferred ownership to a family trust in 2009, eight months after Obama's inauguration. But even the new deed directly names Holder's wife and sister-in-law as "co-trustees of the testamentary trust."

"While the ownership may be a technicality, the attorney general's conflict of interest is not," wrote Tony Perkins, president of the Family Research Council, in an "FRC Action Update" last week in response to the Watchdog story.

"If anything, this development fits right in with the Justice Department's track record of turning a blind eye to Medicaid fraud, accusations of rape cover-ups, and even violations of the Americans with Disabilities Act in the billion-dollar abortion industry. With the Obama administration so personally invested in the abortion business, there's little chance that these clinics will get the justice they deserve."

"This matter rises to the level of being egregious because the attorney general is charged with upholding the laws of the land," said Catherine Davis, president of the Restoration Project and co-founder of the National Black ProLife Coalition. "Yet, he has not investigated or prosecuted one abortion provider for taking taxpayer money illegally. We can only wonder if he is turning a blind eye because his family profits from the industry."

Davis, whose organization brought the issue to the attention of Watchdog, said Holder is not the "model that we would want other attorney generals to emulate, whether it's in his office or at the state level."

Meanwhile, Perkins criticized what he described as the “long line of national embarrassments at the Obama Justice Department, which have included everything from deadly gun-running schemes to the mishandling of terrorist trials.”

“If the Justice Department keeps ignoring its job, Eric Holder could be the only attorney general to leave office as the subject of more investigations than he’s headed up,” Perkins wrote.

As this report was published, the CBS Washington affiliate was reporting that Holder was weighing a decision to leave government within a few months.

Troy Anderson is an investigative reporter for Watchdog.org, a project of the Franklin Center for Government and Public Integrity.