



FACT

FOUNDATION FOR
ACCOUNTABILITY
AND CIVIC TRUST

January 31, 2022

Ms. Lisa J. Stevenson
Acting General Counsel
Office of the General Counsel
Federal Election Commission
1050 First Street, NE
Washington, D.C. 20463

Email: EnfComplaint@fec.gov

COMPLAINT BEFORE THE FEDERAL ELECTION COMMISSION

RE: Request for Investigation into Marie Newman's Use of Campaign Funds

Dear Ms. Stevenson,

The Foundation for Accountability and Civic Trust (FACT) is a nonprofit organization dedicated to promoting accountability, ethics, and transparency in government and civic arenas. This complaint is submitted, upon information and belief, to request the Federal Election Commission investigate whether Rep. Marie Newman and her campaign committee illegally used campaign funds.¹

Evidence demonstrates that when she was a candidate in the 2020 primary election, Rep. Newman promised a government job to a potential political opponent so that he would not run against her in the primary. In fact, nearly two years before she was elected, Newman entered into a written contract memorializing their agreement for her Congressional office to hire him and pay him with taxpayer funds should she be elected to Congress. However, she did not hire him when she was elected and consequently he sued her for breach of contract. Because Newman's offer of federal employment appeared to be a serious violation of both federal law and House

¹ This complaint is submitted pursuant to 52 U.S.C. § 30109(a)(1) and is against Marie Newman and Marie Newman for Congress, FEC #C00636670, PO Box 549 La Grange, IL 60525.

Ethics rules, the Office of Congressional Ethics (OCE) began investigating Newman.² Soon after she was informed of the pending ethics investigation, Newman settled the civil lawsuit, began paying the potential opponent a “salary” with her federal campaign funds, and prevented him from testifying in the OCE investigation by including a non-disclosure agreement as part of the settlement. We request the Federal Election Commission (FEC) investigate whether Newman’s use of campaign funds is a legitimate campaign expense and take appropriate enforcement actions.³

FACTS

Contract for Employment. Following the Democratic Congressional primary held in 2018, both Marie Newman and Iymen Chehade were planning to run for Congress in 2020 to represent Illinois’ Third Congressional District.⁴ Newman had run and lost in the 2018 primary, and Chehade began exploring his own 2020 run shortly thereafter.⁵

Newman met with Chehade on October 23, 2018,⁶ and the subject of the meeting was described in a subsequent email. In the email dated October 27, 2018, detailing their negotiations and the terms they discussed in the meeting, Chehade stated:

² Committee on Ethics, *Statement of the Chairman and Ranking Member of the Committee on Ethics Regarding Rep. Marie Newman*, Jan. 24, 2022, available at: <https://ethics.house.gov/press-releases/statement-chairman-and-ranking-member-committee-ethics-regarding-representative-54>.

³ “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [Act] . . . [t]he Commission shall make an investigation of such alleged violation.” 52 U.S.C. § 30109(a)(2); 11 C.F.R. § 111.4(a).

⁴ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>; Dana Kozlov, ‘You’re Breaking Contracts’: U.S. Congresswoman Sued for Not Hiring Would-Be Rival, CBS Chicago, May 21, 2021, available at: <https://chicago.cbslocal.com/2021/05/21/congresswoman-marie-newman-contract-suit/>.

⁵ *Chehade v. Newman*, No. 2021L000626, Circuit Ct. of Cook County IL, filed Jan. 19, 2021 (attached as Exhibit A); Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

⁶ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 10, available at: <https://ethics.house.gov/sites/ethics.house.gov/files/documents/OCE%20Reports%20and%20Findings.pdf> (attached as Exhibit B).

“Chehade agrees not to announce or submit his candidacy for election to Congressional Representative of the 3rd District of Illinois. In exchange, Newman will hire Chehade as her Chief Foreign Policy Advisor.”⁷

Newman responded to the email, and did not refute Chehade’s description above but did state:

“Took some time to digest the doc. Most of it looks good. Couple of concerns—mostly phraseology.”⁸

On December 26, 2018, Newman and Chehade entered into a written contract to memorialize Newman’s offer of government employment as described in the email exchange.⁹ The contract between Newman and Chehade contained very specific terms: Chehade’s employment as a “Chief Foreign Policy Advisor” and a “District Director OR Legislative Director” was to begin on January 3, 2021, at a salary of “no less than between \$135,000 and \$140,000 per year.”¹⁰ This would make Chehade one of Newman’s highest paid staffers.¹¹ Other contract terms covered Chehade’s participation in staffing decisions, his ability to continue teaching, private office space, reimbursement for supplies, vacation time, and employee

⁷ *Id.*

⁸ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 11 (attached as Exhibit B). Newman claimed she was “outraged” about Chehade’s email, but the OCE found her claim of “outrage” was “not supported by documentary evidence” and then pointed to this email response. *Id.*, page 10.

⁹ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>; Dana Kozlov, ‘You’re Breaking Contracts’: U.S. Congresswoman Sued for Not Hiring Would-Be Rival, CBS Chicago, May 21, 2021, available at: <https://chicago.cbslocal.com/2021/05/21/congresswoman-marie-newman-contract-suit/>; Chehade v. Newman, No. 2021L000626, Circuit Ct. of Cook County IL, filed Jan. 19, 2021 (attached as Exhibit A).

¹⁰ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 7 (attached as Exhibit B).

¹¹ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

benefits.¹² *The Chicago Sun-Times* reported, “The contract would automatically renew and continue as long as Newman was in the House, a very unusual provision.”¹³

Newman won both the primary election on March 17, 2020 and the general election on November 3, 2020, and began her term on January 3, 2021. Newman, however, did not hire Chehade and consequently Chehade filed suit for breach of contract on January 19, 2021, seeking specific performance of the contract and money damages.¹⁴ Chehade’s federal pleadings stated: “In an effort to induce Chehade not to run against her in the [2020] primary,” Newman promised Chehade government employment with her Congressional office should she win the election.¹⁵ In response to the lawsuit, “House General Counsel Douglas Letter acknowledged Newman had signed the employment agreement, but did so as a private citizen prior to winning election to Congress in 2020. Letter contended Newman’s acts as a private citizen could not be enforced in her public office as congresswoman.”¹⁶ The propriety of a promise of government employment in exchange for an agreement not to run for office was not addressed by Newman’s counsel.¹⁷

OCE Complaint & Investigation. In March 2021, FACT filed a complaint with the Office of Congressional Ethics seeking an investigation into Newman for violations of both federal law and House ethics rules.¹⁸ The conduct of House Members is governed by a number of

¹² Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 7 (attached as Exhibit B).

¹³ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, *Chicago Sun Times*, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

¹⁴ *Id.*

¹⁵ Chehade v. Newman, No. 2021L000626, Circuit Ct. of Cook County IL, filed Jan. 19, 2021, (attached as Exhibit A).

¹⁶ Rick Pearson, *House Ethics Committee Extends Investigation of Complaint Against U.S. Rep. Marie Newman into 2022*, *Chicago Tribune*, Dec. 10, 2021, available at: <https://news.yahoo.com/house-ethics-committee-extends-investigation-210600018.html>.

¹⁷ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 13 (attached as Exhibit B).

¹⁸ FACT’s complaint was made public at the time it was submitted to the OCE.

different legal sources, including criminal law, the Code of Official Conduct, and the Code of Ethics for Government Service, which are all incorporated into the House Ethics Manual.¹⁹

Under federal law, it is illegal for a candidate to promise public employment to any person with the purpose of procuring support for her candidacy.²⁰ Specifically, 18 U.S.C. section 599 states:

“[W]hoever, being a candidate, directly or indirectly promises or pledges the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy shall be fined under this title or imprisoned not more than one year, or both; and if the violation was willful, shall be fined under this title or imprisoned not more than two years, or both.”

Additionally, it is a violation of House ethics rules for a candidate or House Member to use taxpayer funds to pay a primary challenger to not run against her. House ethics rules require a Member to “behave at all times in a manner that shall reflect creditably on the House”²¹ and to “adhere to the spirit and the letter of the Rules of the House and to the rules of duly constituted committees thereof.”²² Moreover, House Members must uphold the laws of the United States and never be a party to their evasion, and violating statutory law may also be a violation of the House Ethics rules.²³ Finally, a Member must “[n]ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept for himself or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.”²⁴ All of these ethics rules

¹⁹ House Ethics Manual, Comm. on Standards of Official Conduct, U.S. House of Reps., at 2-4 (2008 ed.).

²⁰ 18 U.S.C. § 599.

²¹ House Rule 23, clause 1.

²² House Rule 23, clause 2.

²³ According to the House Ethics Manual, “the Code of Ethics for Government Service, which applies to House Members and staff, provides in ¶ 2 that government officials should ‘[u]phold the Constitution, laws and legal regulations of the United States and of all governments therein and never be a party to their evasion.’ Accordingly, in violating FECA or another provision of statutory law, a Member or employee may also violate these provisions of the House rules and standards of conduct.” House Ethics Manual, page 22.

²⁴ Code of Ethics for Government Service, ¶ 5.

would be violated by a candidate promising government employment in order to induce a primary opponent to not run against her.

The OCE complaint was made public when it was filed in March 2021 and Newman was officially notified of the OCE investigation on June 17, 2021.²⁵

Newman Settles Lawsuit. On June 29, 2021, just twelve days after she was officially notified the OCE was investigating her, Newman settled the lawsuit with Chehade. Chehade later refused to participate with the OCE's investigation "citing concerns over violating a nondisclosure agreement signed as a part of the lawsuit's eventual settlement."²⁶

Just two days after settling the lawsuit, Newman's campaign began making payments to Chehade. It is important to first note that it appears extremely unlikely that, given their past experience working together, Newman would now employ Chehade. To this point, Newman testified that Chehade had performed work for her 2018 campaign, i.e. drafting a statement on foreign policy, but she had found his work product "not acceptable" and she had to "rewrite the entire thing."²⁷ She also described his behavior as "disrespectful" to her, another campaign staff member, and "members of the community," and that he was "very hard to get along with."²⁸ In May 2021, a spokesperson for Newman stated: "Mr. Chehade was not hired in part because he not only misrepresented his qualifications but was ill-suited for a senior role in a congressional office, as demonstrated by his interactions with Ms. Newman and her campaign volunteers."²⁹

²⁵ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 4 (attached as Exhibit B).

²⁶ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>; Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 11 (attached as Exhibit B).

²⁷ Office of the Congressional Ethics, U.S. House of Reps. *Exhibits*, Review No. 21-3052 (Transcript of Interview of Marie Newman, Sept. 2, 2021, page 46).

²⁸ Office of the Congressional Ethics, U.S. House of Reps. *Exhibits*, Review No. 21-3052 (Transcript of Interview of Marie Newman, Sept. 2, 2021, page 45).

²⁹ Dana Kozlov, 'You're Breaking Contracts': U.S. Congresswoman Sued for Not Hiring Would-Be Rival, CBS Chicago, May 21, 2021, available at: <https://chicago.cbslocal.com/2021/05/21/congresswoman-marie-newman-contract-suit/>.

Yet, Newman’s campaign reported it began making payments to Chehade for “salary” on July 1, 2021, which up to the last reporting date totaled \$29,500 as detailed in the table below:³⁰

Spender	Recipient	Description	Date	Amount
Marie Newman For Congress	Hamman Chehade	Salary	7/1/21	\$5,000
Marie Newman For Congress	Hamman Chehade	Salary	7/13/21	\$7,500
Marie Newman For Congress	Hamman Chehade	Salary	8/13/21	\$7,500
Marie Newman For Congress	Hamman Chehade	Salary	9/15/21	\$7,500
Marie Newman For Congress	Hamman Chehade	Salary	9/28/21	\$2,000
TOTAL				\$29,500

Even though the payments were described as “salary,” the payments were made on a different schedule than all other campaign staff.³¹ Additionally, the payments made Chehade a highly “paid staffer in the third quarter — more than double what two other Newman campaign staffers were paid during the same period.”³²

When questioned about the salary payments, Chehade reportedly stated he was the “Director of Foreign Policy and Research” for the Newman campaign.³³ However, on August 30, 2021, Newman’s campaign manager was questioned about his interaction with Chehade and stated, “[Chehade] does have a few deliverables **as part of the settlement** that he sends to me, but there’s very minimal interaction between the two of us.”³⁴ When reporters asked for

³⁰ Marie Newman For Congress, Disbursements, Federal Election Commission, accessed Jan. 25, 2022, available at: https://www.fec.gov/data/disbursements/?committee_id=C00636670&two_year_transaction_period=2022&recipient_name=HAMMAN+CHEHADE&data_type=processed

³¹ Marie Newman For Congress, Disbursements, Federal Election Commission, accessed Jan. 25, 2022, available at: https://www.fec.gov/data/disbursements/?committee_id=C00636670&two_year_transaction_period=2022&data_type=processed

³² Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

³³ *Id.*

³⁴ Office of the Congressional Ethics, U.S. House of Reps. *Exhibits*, Review No. 21-3052 (Transcript of Witness Two, Aug. 30, 2021, page 17) (emphasis added).

Cehade's work product, the campaign "sent two briefing papers: 12 pages of policy recommendations on the Palestinian-Israeli crisis and 9 pages on Kashmir."³⁵

On October 29, 2021, Newman announced she would run in Illinois' Sixth Congressional District rather than the Third Congressional District that she currently represents.³⁶ On December 2, 2021, Cehade began his campaign for the Third Congressional District by filing with the FEC to create his campaign committee, "Im In With Iymen."³⁷ Even though Cehade is running for his own congressional seat, he stated his job with the Newman campaign would continue through 2022.³⁸

OCE Investigation & Referral to The House Ethics Committee. The OCE's investigation found substantial evidence that Newman offered Cehade a government position in order to prevent him from running against her in a primary, including:

- (1) The correspondences between Cehade and Newman before signing the contract specify the exact purpose of the contract: "Cehade agrees not to announce or submit his candidacy for election to Congressional Representative of the 3rd District of Illinois. In exchange, Newman will hire Cehade as her Chief Foreign Policy Advisor." Not only does Newman not refute that statement, but she describes the terms as "good" and only mentions some concerns with "phraseology."
- (2) Shortly after the email exchange, Newman and Cehade do in fact enter into the written contract as discussed in their emails, confirming the accuracy of the email exchange and the stated purpose of the contract.

³⁵ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

³⁶ Bob Uphues, *Newman Vows Run In 6th District After Mapping Snub*, Riverside-Brookfield Landmark, Oct. 29, 2021, available at: <https://www.rblandmark.com/2021/10/29/newman-vows-run-in-6th-district-after-mapping-snob/>.

³⁷ Im In With Iymen, Statement Of Organization, Federal Election Commission, filed on Nov. 11, 2021, available at: <https://docquery.fec.gov/cgi-bin/forms/C00796235/1550553/>.

³⁸ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

- (3) The timing and terms of the contract itself demonstrate Newman's purpose. Newman hired Chehade as Congressional staff nearly two years before she was elected. The terms of the contract were very specific, unusual, and favorable to Chehade. This also indicates the consideration exchanged included Chehade not running against Newman.
- (4) Although Newman claimed during the OCE investigation that she did not know of Chehade's intent to run against her and that she was "outraged and incensed" by Chehade's email, the OCE found **Newman's claims were not supported by the evidence.**³⁹

On October 15, 2021, the OCE completed its investigation and found:

"In summary, the evidence collected by the OCE supports a finding that Rep. Newman had knowledge of Mr. Chehade's intent to run for the 2020 congressional seat when she knowingly entered into an employment contract with Mr. Chehade promising him future employment in her official office if he did not submit or announce his candidacy for the same congressional seat."⁴⁰

The Board voted **six to zero** to adopt the report and its findings, and to refer the case to the House Ethics Committee. On October 25, 2021, the OCE transmitted the matter to the House Ethics Committee.⁴¹

LEGAL ANALYSIS

It is illegal for a candidate to promise a government job in order to procure political support. While this is obviously illegal because it undermines our democracy, it also has other implications such as abusing taxpayer funds, not having government employees hired on merit, and undermining public trust in government.

However, what specifically brings this case under the FEC's jurisdiction is not illegally offering government employment in order to get a primary opponent not to run—it is the

³⁹ Office of the Congressional Ethics, U.S. House of Reps. *Report*, Review No. 21-3052, page 10 (attached as Exhibit B).

⁴⁰ Office of the Congressional Ethics, U.S. House of Reps. *Report*, Review No. 21-3052, page 12 (attached as Exhibit B).

⁴¹ *Id.*, page 13.

apparent cover-up and the use of campaign funds. Federal law is clear: a candidate may only use campaign funds for legitimate campaign purposes.⁴² Consequently, campaign funds may not be used for personal purposes or other purposes not related to the campaign.⁴³

While Newman's campaign describes the payments to Chehade as a "salary", a salary payment must be for "bona fide services to a campaign" and not in excess of the fair market value.⁴⁴ Numerous facts discussed below indicate otherwise, including (1) that Newman settled the civil lawsuit shortly after she was notified of the OCE investigation, (2) through the settlement Newman obtained the benefit of preventing Chehade from testifying against her in the pending OCE investigation, and (3) Newman's campaign began making "salary" payments to Chehade just two days after Newman settled the lawsuit with him.⁴⁵ Thus, the facts surrounding Newman's payments to Chehade demand that the FEC investigate to determine whether these payments are in fact for the described purpose and a legitimate, legal use of campaign funds.

First, the facts set forth above speak for themselves and demonstrate that Newman offered Chehade a government position to prevent him from running against her in a primary. The email correspondence between Newman and Chehade detailed the purpose of the contract, the subsequent contract was as described in the email correspondence, the contract was oddly both written and signed nearly two years before Newman was elected, and the terms of the contract were extremely favorable to Chehade (demonstrating the consideration exchanged included him not running against Newman in the primary). The OCE also found Newman's

⁴² 52 USC § 30114.

⁴³ *Id.* Personal use "means any use of funds in a campaign account of a present or former candidate to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or duties as a Federal officeholder." 11 C.F.R. § 113.1(g).

⁴⁴ *See, e.g.*, 11 C.F.R. § 113.1(g)(1)(i)(H) ("Salary payments to a member of the candidate's family, unless the family member is providing bona fide services to the campaign. If a family member provides bona fide services to the campaign, any salary payment in excess of the fair market value of the services provided is personal use.").

⁴⁵ The FEC determines whether a "legal expense," such as the payment of attorney fees, is a campaign or personal expense on a case-by-case basis. 11 C.F.R. § 113.1(g)(1)(ii)(A). In this case, Newman's campaign made payments for legal expenses, which the FEC should additionally review to determine whether they are a campaign or personal expense. In this case, any attorney fees or expenses related to settling the lawsuit should not be considered a "legal expense." It would be contrary to public policy to allow a candidate to settle a lawsuit with campaign funds, pay for the legal fees to do so from campaign funds, and attempt to prevent testimony in an ethics or criminal case.

claims were not supported by documentary evidence,⁴⁶ and she "likely was motivated to enter the agreement to avoid competing against Mr. Chehade in the next Democratic primary."⁴⁷

Then there is the relationship between the settlement, the OCE investigation, and the salary payments. Twelve days after Newman was formally notified of the OCE investigation, she settled the lawsuit with Chehade. Chehade had previously stated in emails and federal court pleadings that Newman offered him government employment in exchange for him not running against her in the primary—evidence that Newman would not have wanted Chehade to reiterate in testimony in the OCE investigation. By settling the case, Newman prevented Chehade from testifying and participating in the OCE investigation with a nondisclosure agreement.

Just two days after the settlement, Newman began paying Chehade a "salary" from her congressional campaign. It is clear the salary payments are related to the settlement—Newman's campaign manager testified as such. Moreover, the facts surrounding the salary payments further demonstrate the payments are likely not for fair market services to the campaign. Given Newman's past experience with Chehade's work in her 2018 campaign, which she found "not acceptable," it is unlikely Newman would later hire him to do similar work for her current campaign and pay him thousands of dollars to do so. In spite of the fact Chehade stated he was the "Director of Foreign Policy and Research" and is a highly paid staff member, he is not paid on the same schedule as all other campaign staff and has little contact with the campaign manager other than sending "a few deliverables." Finally, Chehade is now himself running to represent the Third Congressional District, but he stated he expects the campaign to continue to pay him. These facts clearly indicate this is not a "salary" payment, but that there is actually other consideration being exchanged (i.e. settlement of a lawsuit) for the payments.

All of the above facts indicate that the salary payments may not be for a legitimate service to the Newman campaign at a fair market value. In addition, there is a public policy concern presented here. Generally, a candidate and House member who is the subject of an ethics investigation should not be permitted to use her campaign funds to attempt to cover-up a criminal or ethics investigation. In this case, Newman was the subject of a serious ethics investigation and

⁴⁶ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 10 (attached as Exhibit A).

⁴⁷ *Id.*, page 8.

by settling the lawsuit with Chehade she prevented him from testifying in the investigation and then contemporaneously began paying him salary from her campaign funds. This clearly raises grave concerns about abuse of campaign funds. We request the FEC immediately investigate the above payments to determine if they are permissible under federal law.

Respectfully submitted,

Kendra Arnold
Executive Director
Foundation for Accountability & Civic Trust
1717 K Street NW, Suite 900
Washington, D.C. 20006

STATE OF _____)
) ss.
COUNTY OF _____)

Subscribed and sworn to before me on January_____, 2022.

Notary Public in and for the State of _____

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
LAW DIVISION**

FILED
1/19/2021 7:45 PM
IRIS Y. MARTINEZ
CIRCUIT CLERK
COOK COUNTY, IL
11890213

Iymen H. Chehade,

2021L000626

Plaintiff,

v.

Jury Trial Requested

Marie Newman, in her individual and
official capacities,

Defendant.

Verified Complaint for Legal and Equitable Relief

The plaintiff, Iymen H. Chehade (“Plaintiff” or “Chehade”), by and through his attorneys, brings this action against the defendant, Marie Newman (“Defendant” or “Newman”), for breach of contract, and alleges as follows:

Jurisdiction and Venue

1. This action is authorized and instituted pursuant to Illinois common law.
2. The parties entered into a contractual relationship in Cook County in the state of Illinois.
3. This Court has personal jurisdiction over Defendant because her principal place of residence is in La Grange, Illinois.
4. Cook County is an appropriate venue for this action because all parties are located there and the dealings described in this complaint occurred there.

Introduction

5. Starting in March of 2018, Plaintiff Chehade explored the possibility of running for Congressional Representative in the Third District of Illinois for the November 2020 election.
6. Defendant Newman also planned to run for Congressional Representative in the Third District of Illinois for the 2020 election, having previously run and lost the primary election for that district in March of 2018.
7. Newman was conscious of the fact that there was a large Palestinian-American community in her district and that her chances of success in the Democratic primary would improve if she had significant support within that community.
8. In an effort to induce Chehade not to run against her in the primary, Newman offered Chehade employment as Foreign Policy Advisor and Legislative or District Director. In the summer of 2019 Newman also hired a Palestinian-American woman, Shadin Maali, as her Campaign Chairwoman.
9. Chehade accepted the offer and did not run against Newman in the primary.
10. On or about December 26, 2018, Newman and Chehade entered into an employment contract wherein Newman agreed to employ Chehade should she be elected as U.S. Representative to the Third Congressional District of Illinois. That contract is attached hereto and referenced herein as "the Agreement." Exhibit A.

11. Prior to the primary Chehade also played an informal role as advisor to Newman. In particular, he helped her craft her campaign policy statement on Israel/Palestine.
12. Newman promised that, should she be elected to office, she would employ Chehade as Chief Foreign Policy Advisor and either District Director or Legislative Director, with a start date of January 3, 2021 and continuing as long as Newman remains Representative.
13. The Agreement provided that Chehade would be compensated with a salary at “no less than between \$135,000 and \$140,000 per year.”
14. The Agreement also afforded Chehade “complete discretion about the selection and employment termination of staff members under his supervision.”
15. Newman won the primary on March 17, 2020. Shortly thereafter, Chehade congratulated Newman on her victory and reiterated his availability to work for her as agreed.
16. On or about June 11, 2019, Chehade met with Newman and confirmed that he remained willing and able to perform the services described in the Agreement.
17. In that same meeting, Newman informed Chehade that she did not intend to fulfill the terms of the employment contract.

18. Around the time of that meeting, Newman began making preparations for staffing her office but failed and refused to fulfill her promise to employ Chehade.

19. She has since claimed Chehade is “unsuited” for the role. Chehade was and is qualified for the position and remains exactly as suited for the role as he was when the parties signed the employment contract.

20. On November 3, 2020 Newman was elected as the Congressional Representative for the Third District of Illinois, triggering her duty to employ Chehade as Foreign Policy Advisor and either District Director or Legislative Director pursuant to the terms of the contract.

21. On or about January 3, 2021, Newman assumed office as Member of the U.S. House of Representatives from Illinois’s Third District.

22. Newman continues to refuse to honor the terms of her contract with Chehade.

23. Chehade has suffered damages in the form of lost pay and opportunity.

Count I: Breach of Contract
Against Marie Newman in her Individual and Official Capacities

24. Plaintiff realleges paragraphs 1-23 as if fully restated here.
25. Plaintiff and Defendant signed the Agreement in December of 2018.
26. Plaintiff sought to perform his obligations under the Agreement but Defendant refused to hire him.
27. The Agreement required Defendant to employ Plaintiff as a Foreign Policy Advisor and either District Director or Legislative Director should Defendant be elected to office.
28. On or about January 3, 2021, Defendant began her role as Congressional Representative for the Third U.S. District of Illinois but refused and continues to refuse to employ Plaintiff, in direct contravention of the Agreement.
29. Defendant's actions constitute breach of contract.
30. Plaintiff suffered damages as a result of Defendant's breach in the form of lost pay and lost opportunity.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff asks that the judgment be entered in his favor and against Defendant for

- a) specific performance of the employment contract between the parties;
- b) injunctive relief;
- c) damages for lost salary;
- d) prejudgment interest;
- e) litigation costs;
- f) attorney's fees; and
- g) any other award this Court or the trier of fact deems just and fair.

JURY DEMAND

Plaintiff requests trial by jury.

FILED
1/19/2021 7:45 PM
IRIS Y. MARTINEZ
CIRCUIT CLERK
COOK COUNTY, IL
2021L000626

Respectfully Submitted,

/s/ Rima Kapitan
One of Plaintiff's Attorneys

Rima Kapitan
Firm No. 47238
Kapitan Law Office
P.O. Box 6779
Chicago, Illinois 60680
rima@kapitanlaw.net
312-566-9590
Fax: 312-566-9591

Verification

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.



Iymen Chehade

1/18/2021

Date

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1/19/2021 7:45 PM
IRIS Y. MARTINEZ
CIRCUIT CLERK
COOK COUNTY, IL
2021L000626

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1/19/2021 7:45 PM
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CIRCUIT CLERK
COOK COUNTY, IL
2021L000626

Exhibit A

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("the Agreement") is entered into between Iymen Hamman Chehade ("Chehade") and Marie Newman ("Newman"). Chehade and Newman are jointly referenced herein as "the Parties."

In consideration of the mutual promises and compensation provided herein, the parties agree as follows:

1. EMPLOYMENT AND TERM

- a. In the event that Newman is elected as U.S. Representative to the Third Congressional District of Illinois ("Representative") for the congressional term beginning in January of 2021, Newman agrees to employ Chehade to the following combined position:
 - i. Chief Foreign Policy Advisor (entails advising on all aspects of foreign policy, cooperating with the staff of other congressional representatives in order to achieve foreign policy goals, and coordinating fact-finding delegations to the Middle East); AND
 - ii. Either District Director OR Legislative Director, at Chehade's election within 10 calendar days of being informed of Newman's election to office.
- b. This Agreement shall be for a term commencing on January 3, 2021 and shall continue for as long as Newman remains Representative. The Agreement shall be automatically renewed each time Newman begins a new term except as otherwise specified in this Agreement.
 - i. Should Chehade elect to terminate the Agreement for reason other than a material breach by Newman, he must provide Newman with at least sixty (60) days' written notice of the termination.
 - ii. Either party may terminate the Agreement should the other party materially breach the Agreement. For example, Newman may terminate the Agreement if Chehade substantially neglects his job responsibilities. If a material breach is alleged, the other party must be promptly notified of the alleged breach in writing and provided a meaningful opportunity to cure the breach or respond to the allegation.

2. DUTIES

- a. Scope: Chehade's job duties will be as described in this Agreement and as reflected in the attached job descriptions, which are also incorporated into this Agreement. To the extent that there is a conflict between the job descriptions and this Agreement, the Agreement governs. Should the parties seek to change those

job duties they must agree in writing, in which case any such revisions will be deemed incorporated into this Agreement. Chehade and Newman agree to abide by all applicable federal employment and other policies and regulations.

b. Other conditions of employment

- i. Chehade shall devote a minimum of 40 hours per week to his duties under this Agreement. Chehade understands that because of the nature of the position, he will sometimes need to work long or irregular hours in order to complete all his job duties. Chehade is responsible for both positions but this does not mean he will have to work double hours.
- ii. Should Chehade's job duties require him to reside outside of the district, Chehade is permitted to travel to Chicago one day per week to perform teaching duties. As long as Chehade is otherwise reasonably available during business hours for consultation with Newman and supervision of staff, he need not maintain specific hours at the office. Newman will reimburse Iymen for his travel to Chicago to the extent permitted by law and congressional regulations.
- iii. Newman will hire appropriate congressional staff as determined by the needs of the office and the limitations of the budget. Because of the dual nature of the role, Newman may hire one fewer legislative or district staff members to work under Chehade. Chehade will have complete discretion about the selection and employment termination of staff members under his supervision, except that the total salary budget for staff working under Chehade must be approved by Newman or her designee. Staff members working under Chehade's supervision will be subject to standard office policies and entitled to standard benefits and terms of employment unless otherwise agreed.
- iv. Newman will use her best efforts to provide Chehade a private office within the congressional suite. If that is not possible given space limitations, she will assign Chehade an office shared by one other person maximum.

3. COMPENSATION AND BENEFITS

- a. Compensation. Newman shall pay Chehade a salary of no less than between \$135,000 and \$140,000 per year, less applicable required taxes and withholdings. This salary shall be paid pursuant to standard office payroll policies, but no less frequently than monthly. Starting in Chehade's second year of employment, Newman will provide Chehade cost-of-living and merit raises pursuant to standard office policies.

b. Materials and Expenses. Newman shall reimburse Chehade for all supplies and expenses allowable by government regulations and pursuant to the standard government policies.

c. Other Benefits.

i. Vacation

A. Chehade will be entitled to either of the following options for vacation time, whichever is longer in duration: a) the standard or average vacation time afforded to congressional staffers or b) no less than three weeks' vacation for the first two years and four weeks' vacation for subsequent years. These vacation days are in addition to official federal holidays and days on which Newman's entire office is closed. Chehade may elect to take two half-days off in lieu of one vacation day.

B. Chehade will inform Newman or her designee of major planned vacations in advance to allow for planning. Although Chehade will have discretion about when to take vacation days, he will endeavor to avoid taking vacation during particularly busy times of year when notified in advance.

C. Unused vacation days may be carried over to the extent permitted by congressional regulations. When they are not carried over, unused vacation days will be paid as salary, to the extent permitted by congressional regulations.

ii. Chehade will be entitled to all benefits normally provided to congressional staff members (including health, retirement, and insurance benefits) as well as benefits provided to the full-time staff working in Newman's office. Nothing herein is intended to supplant or waive Chehade's rights under the Congressional Accountability Act ("the Act") or other employment laws. To the extent that the Act entitles Chehade to benefits that are greater than those provided under this contract or under Newman's generally applicable employment policies, the Act governs.

4. NOTICES

Notices provided under this Agreement must be made in writing. At minimum, notices must be provided electronically to the email address typically used for communication between the parties.

5. REPRESENTATION AND WARRANTIES

a. This Agreement supersedes all other previous agreements and understandings between the Parties with respect to the subject matter of this Agreement. Any

amendments to this Agreement shall be made and agreed upon in writing. Scanned copies will be deemed equally enforceable as originals.

- b. The parties to this Agreement acknowledge that they are not making other have not been induced to enter into this Agreement by any representation or statements, oral or written, not expressly contained herein or expressly incorporated by reference.

6. BREACH AND GOVERNING LAW

- a. The prevailing party in any action to enforce a material breach of this agreement this Agreement is entitled to all reasonable fees and expenses s/he incurs as a result of the breach.
- b. This Agreement shall be construed under the laws of the State of Illinois.

7. ENFORCEABILITY

In case any one or more of the sentences and provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

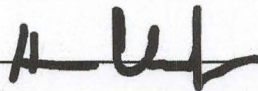
8. ENTIRE AGREEMENT

This Agreement supersedes all other previous agreements and understandings between the Parties with respect to the subject matter of this Agreement. Any amendments to this Agreement shall be made and agreed upon in writing. Scanned copies will be deemed equally enforceable as originals.

IN WITNESS WHEREOF, the Parties have executed this EMPLOYMENT AGREEMENT as of the later date signed below.

IYMEN HAMMAN CHEHADE

By: _____



DATE: _____

12/26/2018

MARIE NEWMAN

By: _____



DATE: _____

12/26/2018

CONFIDENTIAL

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

**OFFICE OF CONGRESSIONAL ETHICS
UNITED STATES HOUSE OF REPRESENTATIVES**

REPORT

Review No. 21-3052

The Board of the Office of Congressional Ethics (hereafter “the Board”), by a vote of no less than four members, on October 15, 2021, adopted the following report and ordered it to be transmitted to the Committee on Ethics of the United States House of Representatives (hereafter “the Committee”).

SUBJECT: Representative Marie Newman

NATURE OF THE ALLEGED VIOLATION: Rep. Newman, during a successful campaign for election to the U.S. House of Representatives, may have promised federal employment to a primary opponent for the purpose of procuring political support. If Rep. Newman used her candidacy to promise federal employment, she may have violated federal law, House rules, or standards of conduct.

RECOMMENDATION: The Board recommends that the Committee further review the above allegation concerning Rep. Newman because there is substantial reason to believe that Rep. Newman may have promised federal employment to a primary opponent for the purpose of procuring political support.

VOTES IN THE AFFIRMATIVE: 6

VOTES IN THE NEGATIVE: 0

ABSTENTIONS: 0

MEMBER OF THE BOARD OR STAFF DESIGNATED TO PRESENT THIS REPORT TO THE COMMITTEE: Omar S. Ashmawy, Staff Director & Chief Counsel.

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

FINDINGS OF FACT AND CITATIONS TO LAW

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Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

OFFICE OF CONGRESSIONAL ETHICS
UNITED STATES HOUSE OF REPRESENTATIVES

FINDINGS OF FACT AND CITATIONS TO LAW

Review No. 21-3052

On October 15, 2021, the Board of the Office of Congressional Ethics (hereafter “the Board”) adopted the following findings of fact and accompanying citations to law, regulations, rules and standards of conduct (*in italics*). The Board notes that these findings do not constitute a determination of whether or not a violation actually occurred.

I. INTRODUCTION

A. Summary of Allegations

1. Rep. Newman, during a successful campaign for election to the U.S. House of Representatives, may have promised federal employment to a primary opponent for the purpose of procuring political support. If Rep. Newman used her candidacy to promise federal employment, she may have violated federal law, House rules, or standards of conduct.
2. The Board recommends that the Committee on Ethics (“Committee”) further review the above allegation concerning Rep. Newman because there is substantial reason to believe that Rep. Newman may have promised federal employment to a primary opponent for the purpose of procuring political support.

B. Jurisdiction Statement

3. The allegations that were the subject of this review concern Rep. Newman, a Member of the United States House of Representatives from the 3rd District of Illinois. The Resolution the United States House of Representatives adopted creating the Office of Congressional Ethics (“OCE”) directs that, “[n]o review shall be undertaken ... by the [B]oard of any alleged violation that occurred before the date of adoption of this resolution.”¹ The House adopted this Resolution on March 11, 2008. Because the conduct under review occurred after March 11, 2008, review by the Board is in accordance with the Resolution. Because the conduct at issue relates to a successful campaign for election to the United States House of Representatives, review by the Board is in accordance with the Resolution and House precedent.²

¹ H. Res. 895 of the 110th Congress § 1(e) (2008) (as amended) (hereafter “the Resolution”).

² See e.g., *In the Matter of Allegations Relating to Representative Ruben Kihuen*, H.R. REP. NO. 115-1041, at 5, n. 24 (2d Sess. 2018) (“[T]he Committee has repeatedly noted it has jurisdiction over ‘misconduct relating to a successful campaign for election to the House’”).

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

C. Procedural History

4. The OCE received a written request for preliminary review in this matter signed by at least two members of the Board on June 16, 2021. The preliminary review commenced on June 17, 2021.³
5. On June 17, 2021, the OCE notified Rep. Newman of the initiation of the preliminary review, provided her with a statement of the nature of the review, notified her of her right to be represented by counsel in this matter, and notified her that invoking her right to counsel would not be held negatively against her.⁴
6. At least three members of the Board voted to initiate a second-phase review in this matter on July 16, 2021. The second-phase review commenced on July 17, 2021.⁵ The second-phase review was scheduled to end on August 30, 2021.
7. On July 19, 2021, the OCE notified Rep. Newman of the initiation of the second-phase review in this matter, and again notified her of her right to be represented by counsel in this matter, and that invoking that right would not be held negatively against her.⁶
8. The Board voted to extend the second-phase review by an additional period of fourteen days on August 16, 2021. The additional period ended on September 13, 2021.
9. The Board voted to refer the matter to the Committee for further review and adopted these findings on October 15, 2021.
10. The report and its findings in this matter were transmitted to the Committee on October 25, 2021.

D. Summary of Investigative Activity

11. The OCE requested documentary and in some cases testimonial evidence from the following sources:
 - (1) Rep. Newman;
 - (2) Witness 1, staffer in Rep. Newman's congressional office;
 - (3) Witness 2, staffer in Rep. Newman's district office;
 - (4) Iymen Chehade; and
 - (5) LBH Chicago.

³ A preliminary review is "requested" in writing by members of the Board of the OCE. The request for a preliminary review is received by the OCE on a date certain. According to the Resolution, the timeframe for conducting a preliminary review is 30 days from the date of receipt of the Board's request.

⁴ Letter from Omar S. Ashmawy, Chief Counsel and Staff Dir., Office of Cong. Ethics, to Rep. Newman, June 17, 2021.

⁵ According to the Resolution, the Board must vote (as opposed to make a written authorization) on whether to conduct a second-phase review in a matter before the expiration of the 30-day preliminary review. If the Board votes for a second-phase, the second-phase commences the day after the preliminary review ends.

⁶ Letter from Omar S. Ashmawy, Chief Counsel and Staff Dir., Office of Cong. Ethics, to Rep. Newman, July 16, 2021.

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

12. The following individuals and entities refused to cooperate with the OCE's review:

- (1) Iymen Chehade; and
- (2) LBH Chicago.

II. REP. NEWMAN MAY HAVE PROMISED FEDERAL EMPLOYMENT TO A PRIMARY OPPONENT FOR THE PURPOSE OF PROCURING POLITICAL SUPPORT

A. Applicable Law, Rules, and Standards of Conduct

13. Federal Statutes

18 U.S.C. § 599 states, "[w]hoever, being a candidate, directly or indirectly promises or pledges the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy shall be fined under this title or imprisoned not more than one year, or both; and if the violation was willful, shall be fined under this title or imprisoned not more than two years, or both."

14. House Rules

House Rule 23, clause 1 states that "[a] Member . . . of the House shall behave at all times in a manner that shall reflect creditably on the House."

House Rule 23, clause 2 states that "[a] Member. . . of the House shall adhere to the spirit and the letter of the Rules of the House and to the rules of duly constituted committees thereof."

15. House Ethics Manual

*According to the House Ethics Manual, "the Code of Ethics for Government Service, which applies to House Members and staff, provides in ¶ 2 that government officials should '[u]phold the Constitution, laws and legal regulations of the United States and of all governments therein and never be a party to their evasion.' Accordingly, in violating FECA or another provision of statutory law, a Member or employee may also violate these provisions of the House rules and standards of conduct."*⁷

16. The Code of Ethics for Government Service

*According to Paragraph 5 of the Code of Ethics for Government Service, a person in government service should "[n]ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept for himself or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties"*⁸

⁷ House Ethics Manual (2008) at 122 (footnote omitted).

⁸ Code of Ethics for Government Service, ¶ 5.

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

According to Paragraph 6 of the Code of Ethics for Government Service, a person in government service should “[m]ake no private promises of any kind binding upon the duties of office, since a Government employee has no private word which can be binding on public duty.”⁹

B. Rep. Newman Contracted with Iymen Chehade for a Government Position in Exchange for Political Support

17. Rep. Newman represents Illinois’ 3rd congressional district, which covers the Southwest side of Chicago as well as its surrounding suburbs.
18. This review arises out of a legal dispute involving an employment contract between Rep. Newman and Iymen Chehade, a former foreign policy advisor to her successful congressional campaign for the U.S. House of Representatives in 2020.
19. After an unsuccessful campaign in the March 2018 Democratic primary, Rep. Newman ran and won the 2020 Democratic primary. At the start of her 2020 campaign, Rep. Newman made Mr. Chehade certain promises about future employment in her congressional office. Those promises were reduced to a contract signed by both parties.
20. In 2021, after Rep. Newman did not hire Mr. Chehade, he sued to enforce the contract, claiming that he decided not to run for the 2020 congressional seat in reliance of her promise to hire him as a foreign policy advisor and either District Director or Legislative Director in her congressional office. In a motion to dismiss Mr. Chehade’s case, Rep. Newman, through her legal counsel, the General Counsel of the U.S. House of Representatives, acknowledged that her contract was violative of House employment and federal contracting rules.
21. Rep. Newman eventually settled the case with Mr. Chehade and the parties signed non-disclosure agreements as a part of the settlement. The OCE initiated this review to determine whether Rep. Newman may have promised Mr. Chehade federal employment for the purposes of procuring his political support, in violation of House rules, standards of conduct or federal law.¹⁰

⁹ *Id.* ¶ 6.

¹⁰ Counsel for Rep. Newman in this OCE matter argues that she could not technically be considered a “candidate” under 18 U.S.C. § 599, and therefore could not violate criminal laws applicable to “candidates.” While counsel makes this argument to the OCE, Rep. Newman continually referred to herself as a candidate for federal office in signed pleadings filed in federal court. *See* Motion to Dismiss, Chehade v. Newman, No. 1:21-cv-01036 (N.D. Ill. Mar. 25, 2021). Additionally, Rep. Newman was actively recruiting staff and discussing her intent to run for the Democratic primary by the fall of 2018, reinforcing that the goal of the contract with Mr. Chehade was to bring about her nomination for the congressional seat. *See e.g.*, Transcript of Interview of Witness 2, August 30, 2021 (Exhibit 2 at 21-3052_0017-18). Indeed, the fact that Rep. Newman entered into an employment contract with Mr. Chehade on the condition that she was elected is itself evidence of her intent to run for election. Regardless of whether Rep. Newman was a candidate on the date she signed the contract with Mr. Chehade, the OCE found no evidence that Rep. Newman reneged on her promise to employ Mr. Chehade prior to June 2020. As such, Rep. Newman’s attempt to contract with Mr. Chehade conflicted with 18 U.S.C. § 599 until that time, even if, as she now suggests, she was not a candidate until January 2019. Additionally, Rep. Newman’s actions contradict the obvious spirit of 18 U.S.C. § 599 as well as the Code of Ethics for Government Service, ¶¶ 5 and 6. For all these reasons, the OCE reviewed Rep. Newman’s conduct pursuant to 18 U.S.C. § 599, the Code of Ethics for Government Service, and House Rule 23.

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

i. The Contract Between Rep. Newman and Mr. Chehade

22. On December 26, 2018, Rep. Newman and Mr. Chehade entered into a detailed employment contract where Rep. Newman agreed to employ Mr. Chehade should she be elected to Congress.¹¹

23. In the contract, Rep. Newman promised that, should she be elected to office, she would employ Mr. Chehade as Chief Foreign Policy Advisor, and either District Director or Legislative Director, with a start date of January 3, 2021 and continue as long as Rep. Newman remained in Congress.¹² The contract specified the salary would be between \$135,000 and \$140,000 per year.¹³

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("the Agreement") is entered into between Iymen Hamman Chehade ("Chehade") and Marie Newman ("Newman"). Chehade and Newman are jointly referenced herein as "the Parties."

In consideration of the mutual promises and compensation provided herein, the parties agree as follows:

1. EMPLOYMENT AND TERM

a. In the event that Newman is elected as U.S. Representative to the Third Congressional District of Illinois ("Representative") for the congressional term beginning in January of 2021, Newman agrees to employ Chehade to the following combined position:

- i. Chief Foreign Policy Advisor (entails advising on all aspects of foreign policy, cooperating with the staff of other congressional representatives in order to achieve foreign policy goals, and coordinating fact-finding delegations to the Middle East); AND
- ii. Either District Director OR Legislative Director, at Chehade's election within 10 calendar days of being informed of Newman's election to office.

b. This Agreement shall be for a term commencing on January 3, 2021 and shall continue for as long as Newman remains Representative. The Agreement shall be automatically renewed each time Newman begins a new term except as otherwise specified in this Agreement.

- i. Should Chehade elect to terminate the Agreement for reason other than a material breach by Newman, he must provide Newman with at least sixty (60) days' written notice of the termination.
- ii. Either party may terminate the Agreement should the other party materially breach the Agreement. For example, Newman may terminate the Agreement if Chehade substantially neglects his job responsibilities. If a material breach is alleged, the other party must be promptly notified of the alleged breach in writing and provided a meaningful opportunity to cure the breach or respond to the allegation.

2. DUTIES

a. Scope: Chehade's job duties will be as described in this Agreement and as reflected in the attached job descriptions, which are also incorporated into this Agreement. To the extent that there is a conflict between the job descriptions and this Agreement, the Agreement governs. Should the parties seek to change those

job duties they must agree in writing, in which case any such revisions will be deemed incorporated into this Agreement. Chehade and Newman agree to abide by all applicable federal employment and other policies and regulations.

b. Other conditions of employment

- i. Chehade shall devote a minimum of 40 hours per week to his duties under this Agreement. Chehade understands that because of the nature of the position, he will sometimes need to work long or irregular hours in order to complete all his job duties. Chehade is responsible for both positions but this does not mean he will have to work double hours.
- ii. Should Chehade's job duties require him to reside outside of the district, Chehade is permitted to travel to Chicago one day per week to perform teaching duties. As long as Chehade is otherwise reasonably available during business hours for consultation with Newman and supervision of staff, he need not maintain specific hours at the office. Newman will reimburse Iymen for his travel to Chicago to the extent permitted by law and congressional regulations.
- iii. Newman will hire appropriate congressional staff as determined by the needs of the office and the limitations of the budget. Because of the dual nature of the role, Newman may hire one fewer legislative or district staff members to work under Chehade. Chehade will have complete discretion about the selection and employment termination of staff members under his supervision, except that the total salary budget for staff working under Chehade must be approved by Newman or her designee. Staff members working under Chehade's supervision will be subject to standard office policies and entitled to standard benefits and terms of employment unless otherwise agreed.
- iv. Newman will use her best efforts to provide Chehade a private office within the congressional suite. If that is not possible given space limitations, she will assign Chehade an office shared by one other person maximum.

3. COMPENSATION AND BENEFITS

a. **Compensation.** Newman shall pay Chehade a salary of no less than between \$135,000 and \$140,000 per year, less applicable required taxes and withholdings. This salary shall be paid pursuant to standard office payroll policies, but no less frequently than monthly. Starting in Chehade's second year of employment, Newman will provide Chehade cost-of-living and merit raises pursuant to standard office policies.

-1-

-2-

¹¹ See Employment Agreement between Rep. Newman and Iymen Chehade, December 26, 2018 (Exhibit 1 at 21-3052_0002-7).

¹² *Id.* (Exhibit 1 at 21-3052_0004).

¹³ *Id.* (Exhibit 1 at 21-3052_0005).

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

FILED DATE: 1/18/2021 7:45 PM 2021.000006

- b. Materials and Expenses. Newman shall reimburse Chehade for all supplies and expenses allowable by government regulations and pursuant to the standard government policies.
- c. Other Benefits.
- i. Vacation
- A. Chehade will be entitled to either of the following options for vacation time, whichever is longer in duration: a) the standard or average vacation time afforded to congressional staffers or b) no less than three weeks' vacation for the first two years and four weeks' vacation for subsequent years. These vacation days are in addition to official federal holidays and days on which Newman's entire office is closed. Chehade may elect to take two half-days off in lieu of one vacation day.
- B. Chehade will inform Newman or her designee of major planned vacations in advance to allow for planning. Although Chehade will have discretion about when to take vacation days, he will endeavor to avoid taking vacation during particularly busy times of year when notified in advance.
- C. Unused vacation days may be carried over to the extent permitted by congressional regulations. When they are not carried over, unused vacation days will be paid as salary, to the extent permitted by congressional regulations.
- ii. Chehade will be entitled to all benefits normally provided to congressional staff members (including health, retirement, and insurance benefits) as well as benefits provided to the full-time staff working in Newman's office. Nothing herein is intended to supplant or waive Chehade's rights under the Congressional Accountability Act ("the Act") or other employment laws. To the extent that the Act entitles Chehade to benefits that are greater than those provided under this contract or under Newman's generally applicable employment policies, the Act governs.
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- Notices provided under this Agreement must be made in writing. At minimum, notices must be provided electronically to the email address typically used for communication between the parties.
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- amendments to this Agreement shall be made and agreed upon in writing. Scanned copies will be deemed equally enforceable as originals.
- b. The parties to this Agreement acknowledge that they are not making other have not been induced to enter into this Agreement by any representation or statements, oral or written, not expressly contained herein or expressly incorporated by reference.
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- a. The prevailing party in any action to enforce a material breach of this agreement this Agreement is entitled to all reasonable fees and expenses s/he incurs as a result of the breach.
- b. This Agreement shall be construed under the laws of the State of Illinois.
7. ENFORCEABILITY
- In case any one or more of the sentences and provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
8. ENTIRE AGREEMENT
- This Agreement supersedes all other previous agreements and understandings between the Parties with respect to the subject matter of this Agreement. Any amendments to this Agreement shall be made and agreed upon in writing. Scanned copies will be deemed equally enforceable as originals.

IN WITNESS WHEREOF, the Parties have executed this EMPLOYMENT AGREEMENT as of the later date signed below.

LYMEN HAMMAN CHEHADE

MARIA NEWMAN

By: 



DATE: 12/26/2018

DATE: 12/26/2018

24. Part of the appeal of hiring Mr. Chehade was his expertise in a policy area that Rep. Newman felt contributed to her prior campaign loss. Rep. Newman told the OCE that "...in my 2018 race, one of the failures that I had personally that I'm accountable for is that I did not understand the Palestine-Israel issue very well."¹⁴

25. In May 2018, in preparation for her 2020 run for office, while searching for expert staff to help her understand the issues affecting the Arab American community in the district, Rep. Newman was introduced to Mr. Chehade by one of her current official staffers.¹⁵ Regarding Mr. Chehade, Rep. Newman stated that, "he had a very specific—[sic]he was more just a foreign policy advisor. In that meeting he had started to talk about Palestine. It was clear that he had very specific knowledge around Palestine and Israel that I needed. He had been an expert on it..."¹⁶

ii. *Contract Negotiations and Lyman Chehade's Intent to Run*

26. The OCE found that Mr. Chehade's policy expertise was not the only reason she contracted to employ him in the future. Instead, Rep. Newman likely was motivated to enter the agreement to avoid competing against Mr. Chehade in the next Democratic primary.

27. During this review, the OCE gathered testimonial and documentary evidence to determine whether Rep. Newman had knowledge that Mr. Chehade intended to run for the Illinois' 3rd

¹⁴ Transcript of Interview of Rep. Newman ("Rep. Newman Transcript"), September 2, 2021 (Exhibit 3 at 21-3052_0057).

¹⁵ *Id.* (Exhibit 3 at 21-3052_0045).

¹⁶ *Id.*

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

congressional district and whether the aforementioned employment contract was premised on Mr. Chehade not running in the 2020 Democratic primary election. As discussed more fully below, the evidence gathered during the OCE's review strongly contradicts Rep. Newman's testimony that she did not have any knowledge of Mr. Chehade's intent to run for congressional office.

28. On October 23, 2018, Rep. Newman and Mr. Chehade met in person to discuss solidifying his role as foreign policy advisor in a future congressional office by way of an employment contract.¹⁷

29. In an email dated October 27, 2018 to Rep. Newman from Mr. Chehade, that was provided to the OCE by Rep. Newman, Mr. Chehade summarized their October 23, 2018 meeting:¹⁸

From: Chehade, Hamman
Sent: Saturday, October 27, 2018 1:57 AM CDT
To: Marie Newman
Subject: Tuesday's meeting
Attachments: Proposal for Collaboration.docx, Details.docx

Hi Marie,

It was great meeting with you on Tuesday. I enjoyed our conversation and I'm looking forward to more meetings and working together as we move forward.

I spoke to Rima Kapitan (lawyer) about what you mentioned which was to register the contract and she's going to look into the idea. As a contract lawyer, she did say that signatures alone are binding. She'll let me know for sure shortly. It's something we can do either way though.

Attached are the documents we discussed at the museum. Let me know what you think across the board. Also, given our discussion on Tuesday, you mentioned that you would be fine with a certain number of terms in office and then moving on. What that number of terms is would be up to you. I would like to put that in the contract along with a commitment to endorse me once you decide to leave. Let me know if that's something you would be fine with.

Best,

Iymen Chehade

Department of Humanities, History, and Social Sciences (HHSS)

American Association of University Professors Committee A On Academic Freedom and Tenure

30. While the e-mail corroborates the start of the employment negotiations, Rep. Newman told the OCE that she did not have any discussions with Mr. Chehade regarding his interest or intent to run for the congressional seat in 2020.¹⁹

31. However, attached to the same October 27, 2018 email provided to the OCE by Rep. Newman was a proposal from Mr. Chehade for the contract detailing the terms and

¹⁷ See October 27, 2018 Email Exchange between Rep. Newman and Iymen Chehade (Exhibit 5 at 21-3052_0102).

¹⁸ *Id.*

¹⁹ Rep. Newman Transcript (Exhibit 3 at 21-3052_0068-69).

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended conditions of employment.²⁰ The overview of the attached proposal states:²¹

Proposal

- Overview: Chehade agrees not to announce or submit his candidacy for election to Congressional Representative of the 3rd District of Illinois. In exchange, Newman will hire Chehade as her Chief Foreign Policy Advisor
- Position term: If Newman wins the election, the position duration would be the entire term of Newman's service as congresswoman and will be automatically renewed after any reelection. Chehade may obtain release from the contract upon 60 days' notice
- Position description: Chief foreign policy advisor, with a special focus on Israel/Palestine.

32. Rep. Newman told the OCE that she did not have any conversations regarding Mr. Chehade's intent to run prior to receiving the above proposal.²² However, the above-mentioned email suggests that the proposal and related terms summarized the in-person meeting between Rep. Newman and Mr. Chehade on October 23, 2018.²³

33. When the OCE asked Rep. Newman about the October 27, 2018 proposal email, Rep. Newman asserted that upon receiving the email, she was "...outraged and incensed. . . ."²⁴ She stated that she sternly communicated her negative reaction to Mr. Chehade's language in the proposal over a telephone conversation. "I called him. I took a couple hours -- I'll be honest. I took a couple hours before I called him and -- so I could calm down because what I recognize is, politicians have a very specific understanding and he was a history professor and I thought maybe he just has no understanding of what -- you know, what he's saying. So I took a couple of hours before I called him. I was still pretty irate. I do remember using expletives in the conversation."²⁵

34. The above assertion of "outrage" and a follow-up phone call regarding Mr. Chehade's potential candidacy is not supported by the documentary evidence. In an email dated November 2, 2018, Rep. Newman responded to Mr. Chehade's proposal email without outrage, explaining "most of it looks good" and her concerns were about "phraseology":²⁶

²⁰ See October 27, 2018 Email and Proposal for Employment Contract from Iymen Chehade to Rep. Newman (Exhibit 4 at 21-3052_0097-100).

²¹ *Id.*

²² Rep. Newman Transcript (Exhibit 3 at 21-3052_0068).

²³ See October 27, 2018 Email and Proposal for Employment Contract from Iymen Chehade to Rep. Newman (Exhibit 4 at 21-3052_0097-100).

²⁴ Rep. Newman Transcript (Exhibit 3 at 21-3052_0068).

²⁵ *Id.* (Exhibit 3 at 21-3052_0069).

²⁶ See November 2, 2018 Email between Rep. Newman and Iymen Chehade (Exhibit 6 at 21-3053_0104).

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Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

From: Marie Newman
Sent: Friday, November 2, 2018 5:50 PM CDT
To: Chehade, Hamman
Subject: Re: Tuesday's meeting

HI there,

Took some time to digest the doc.

Most of it looks good. Couple of concerns -mostly phraseology.

When is a good time for you to meet the week of 11/12:

If you could come out this way this time -would be great.

I am open for early am meetings or 11/13-16.

Let me know what works for you,
M

> On Oct 27, 2018, at 1:57 AM, Chehade, Hamman <ichehade@colum.edu> wrote:
>
> <Proposal for Collaboration.docx>

35. The OCE made efforts to interview Mr. Chehade; however, Mr. Chehade refused to cooperate with the OCE's investigation, citing concerns over violating a nondisclosure agreement signed as a part of the lawsuit's eventual settlement.²⁷
36. As a result, the OCE was unable to obtain testimonial evidence from Mr. Chehade to confirm whether he expressed his intent to run for the Democratic primary during the October 23, 2018 conversation. While the OCE did not obtain direct evidence from an interview with Mr. Chehade, there is substantial documentary evidence demonstrating that Rep. Newman at the very least had knowledge of Mr. Chehade's intent to run in the 2020 Democratic primary.
37. Regardless of whether Rep. Newman had a negative reaction to the proposal, she moved forward with executing the employment contract with Mr. Chehade.
38. On December 26, 2018, Rep. Newman and Mr. Chehade signed the contract.²⁸


IN WITNESS WHEREOF, the Parties have executed this EMPLOYMENT AGREEMENT as of the later date signed below.

IYMEN HAMMAN CHEHADE

By: 

DATE: 12/26/2018

MARIE NEWMAN



DATE: 12/26/2018

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²⁷ Mr. Chehade's attorney, Rima Kapitan, also cited the Non-Disclosure Agreement in the lawsuit settlement as a reason not to interview with the OCE.

²⁸ See Employment Agreement between Rep. Newman and Iymen Chehade, December 26, 2018 (Exhibit 1 at 21-3052_0002-7).

Subject to the Nondisclosure Provisions of H. Res. 895 of the 110th Congress as Amended

39. In summary, the evidence collected by the OCE supports a finding that Rep. Newman had knowledge of Mr. Chehade's intent to run for the 2020 congressional seat when she knowingly entered into an employment contract with Mr. Chehade promising him future employment in her official office if he did not submit or announce his candidacy for the same congressional seat.

iii. Mr. Chehade Sued Rep. Newman For Breach of Contract

40. Rep. Newman won the primary election on March 17, 2020. In June 2020, Mr. Chehade met with Rep. Newman and confirmed that he remained willing and able to perform the services described in the employment contract.²⁹ During this meeting, Rep. Newman informed Mr. Chehade that she did not intend to fulfill the terms of the employment contract.³⁰ Following this meeting, Mr. Chehade sought the advice of his attorney, Rima Kapitan. Ms. Kapitan sent Rep. Newman an email inquiring whether she intended to fulfill the terms of the employment agreement.³¹

41. On November 3, 2020 Rep. Newman was elected to Congress. Rep. Newman assumed office as a Member of the U.S. House of Representatives on January 3, 2021. Upon assuming office, Rep. Newman did not honor the terms of her employment contract with Mr. Chehade.³²

42. Subsequently, Mr. Chehade filed a lawsuit against Rep. Newman on January 19, 2021 seeking specific performance of the contract and money damages.³³

43. The OCE reviewed the filings in the lawsuit. Rep. Newman was jointly represented by private counsel and House General Counsel, Douglas N. Letter. On March 25, 2021, Rep. Newman, through her attorneys, filed a motion to dismiss the case.³⁴

²⁹ Letter from Rima Kapitan to Rep. Newman, September 23, 2020 (Exhibit 7 at 21-3052_0106); *see also* Rep. Newman Transcript (Exhibit 3 at 21-3052_0074, 0078).

³⁰ *Id.* (Exhibit 3 at 21-3052_0078).

³¹ After the June 2020 meeting, Rima Kapitan, sent Rep. Newman a letter dated September 23, 2020, which amongst other things stated: "You met with Mr. Chehade on June 11. On that date, Mr. Chehade confirmed that he remained willing and able to perform the services described in the agreement. You told Mr. Chehade you had decided not to fulfill the terms of the contract. He asked that you reconsider and think about it over the next few months. Since then, he has not heard from you." *See* Letter from Rima Kapitan to Rep. Newman, September 23, 2020 (Exhibit 7 at 21-3052_0106). In response, Rep. Newman sent an email response stating: "I have read your letter and I'm sorry, but I disagree with your characterization of my conversation in June with Iymen. I am focused entirely on the election from now through November 3rd, and we can revisit this issue after the election." *See* October 1, 2020 Email from Rep. Newman to Rima Kapitan (Exhibit 8 at 21-3052_0108). When asked what was discussed during the June 2020 meeting, Rep. Newman stated "I told him it was over and that I wouldn't change my mind. So that was it. And he said, then this -- if that's your final decision, this will not go well for you, Marie. And I will make it very hard for you." Rep. Newman Transcript (Exhibit 3 at 21-3052_0078).

³² *See* Complaint, Chehade v. Newman, No. 2021IL000626 (Ill. Cir. Ct. Jan. 19, 2021).

³³ *Id.*

³⁴ *See* Motion to Dismiss, Chehade v. Newman, No. 1:21-cv-01036 (N.D. Ill. Mar. 25, 2021). The motion concedes that the contract was signed by Rep. Newman, but argues that the contract is void because when it was entered into, Rep. Newman did not have the authority to bind the United States Government to an employment contract since she was only a congressional candidate, and not an elected Member of Congress. Importantly, her attorney also concedes that Rep. Newman was a candidate at the time the contract was signed.

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44. In the brief, Mr. Letter argued that the contract was void on grounds of public policy because it violated duly promulgated House employment and contracting rules, without addressing the propriety of a promise of congressional employment in exchange for an agreement not to run for office.³⁵

III. CONCLUSION

45. Based on the foregoing information, the Board finds that there is substantial reason to believe that during a successful campaign for election to the U.S. House of Representatives, Rep. Newman may have promised federal employment to a primary opponent for the purpose of procuring political support.
46. Accordingly, the Board recommends that the Committee further review the above allegation that Rep. Newman may have promised federal employment to a primary opponent for the purpose of procuring political support.

IV. INFORMATION THE OCE WAS UNABLE TO OBTAIN AND RECOMMENDATION FOR THE ISSUANCE OF SUBPOENAS

47. The following witnesses, by declining to provide requested information to the OCE, did not cooperate with the OCE review:
- a. Iymen Chehade; and
 - b. LBH Chicago.
48. The Board recommends that the Committee issue subpoenas to Iymen Chehade and LBH Chicago.

³⁵ *Id.* at 15.

Rep. Marie Newman, in a Democratic primary with Rep. Sean Casten, faces political damage from ethics probe

lymen Hamman Chehade, at the center of the controversy over Rep. Marie Newman offering him a job, is announcing this week a run for Congress from the 3rd District.

[Lynn Sweet](#) Dec 12, 2021, 7:22pm CST



Rep. Marie Newman, D-Ill., on the Sun-Times' "At the Virtual Table" show on July 16.
Sun-Times

WASHINGTON — Looming over Rep. Marie Newman's 2022 Democratic primary campaign against Rep. Sean Casten in the new 6th Congressional District is a renewed spotlight on a contract she signed in 2018 promising a government job to lymen Hamman Chehade — a successful inducement, he said in court filings, for him not running against her in 2020.

Newman, 57, from La Grange, faces political damage as the employment agreement with Chehade is now the subject of a potential House Ethics Committee probe.

On Friday, the ethics panel said it will decide by Jan. 24 if it will pursue the case.

Newman campaign manager Ben Hardin told the Chicago Sun-Times on Sunday, "I believe that information will be made public on January 24th and that it will be definitively clear that there was no ethical wrongdoing."

Complicating matters politically for Newman is Chehade's own June 2022 primary bid for Congress and a series of very large salary payments Newman's campaign fund has been making to him since July 1.



Iymen Hamman Chehade

Photo by Kirsten Miccoli

The disbursements started two days after a June 29 settlement — the terms were never made public — was reached in his breach of contract case that ended up in federal court.

Chehade, 47, a Palestinian-American, told the Sun-Times he is officially launching a primary bid this week in the new 3rd Congressional District, anchored on Chicago's Northwest Side and sweeping in northwestern suburban turf.

He becomes the third contender in a district Democratic mapmakers drew in the wake of the 2020 census intended to yield a Hispanic member of Congress.

Chehade, the son of Palestinian immigrants, currently teaches at the Art Institute and Columbia College. His courses focus on the Palestinian-Israeli conflict.

He is also the founder of the Uprising Theater, 2905 N. Milwaukee Ave., a nonprofit dedicated to, according to its mission statement, “working to give voice to people of Palestine and others who are marginalized.”

The resume Chehade provided to the Sun-Times made no mention of being employed by the Newman campaign.

Between July 1 and Sept. 28, according to the latest Federal Election Commission report, Chehade was paid \$29,500, making him the highest paid staffer in the third quarter — more than double what two other Newman campaign staffers were paid during the same period.

Chehade told the Sun-Times his job with Newman is continuing through next year, even as he is running for his own congressional seat.

Chehade said he is the “Director of Foreign Policy and Research” for the Newman campaign, which the campaign confirmed Sunday.

The Sun-Times asked the Newman campaign to provide examples of Chehade's work product and was sent two briefing papers: 12 pages of policy recommendations on the Palestinian-Israeli crisis and 9 pages on Kashmir.

Chehade earned an undergraduate degree in history and a master's in history and education from the University of Illinois Chicago.

THE TIMELINE: BREAKING THIS DOWN

2018: On March 20, Newman narrowly loses a Democratic primary to Rep. Dan Lipinski, D-Ill., 51.13% to 48.87%. Winning the primary in the Democratic district is tantamount to clinching the seat in the November

general election.

According to Chehade's lawsuit, in March, after Newman was defeated, he started exploring a 2020 3rd District run.

Chehade lives near O'Hare Airport on Chicago's Northwest Side. Candidates do not have to live in districts they want to represent. The current 3rd District takes in parts of the South Side and southwest suburbs.

The largest Palestinian community in the U.S. is clustered in and around the current 3rd District.

On Dec. 26 — almost two years before the 2020 election — Newman and Chehade signed an employment agreement, an effort, his lawsuit said, "to induce Chehade not to run against her in the primary."

The "inducement" worked, Chehade admitted. "Chehade accepted the offer and did not run against Newman in the primary."

The employment agreement, filed with the lawsuit, stated if Newman won, Chehade would be her chief foreign policy adviser as well as either the district or legislative director. Chehade would be one of Newman's highest paid staffers — a salary between \$135,000 to \$140,000 a year.

The contract would automatically renew and continue as long as Newman was in the House, a very unusual provision.

2019: On June 11, Newman tells Chehade she won't give him a House job, the lawsuit states.

2020: In the March 17 Democratic primary, Newman beats Lipinski, 47.26% to 44.72% Hoping to leverage the growing Palestinian population in the district, Rush Darwish, a Palestinian-American, runs in the primary and gets 5.73% of the vote.

Newman is elected to the House on Nov. 3.

2021: Newman is sworn-in on Jan. 3.

Chehade sues her for breach of contract on Jan. 19. That Newman signed the contract is not disputed by her lawyers.

On May 26, a conservative watchdog group, the Foundation for Accountability and Civic Trust, files a complaint with the Office of Congressional Ethics, alleging an "apparent violation of federal law and ethics rules."

The OCE investigates and on Oct. 25 sends its findings to the Ethics panel.

On Dec. 2, Chehade registers with the Federal Election Commission to create his congressional campaign committee, "IM IN WITH IYMEN."

On Friday, Dec. 10, the Ethics Committee said its next move will be announced by Jan. 24.

'You're Breaking Contracts': U.S. Congresswoman Sued For Not Hiring Would-Be Rival – CBS Chicago

[Dana Kozlov](#) May 21, 2021 at 6:15 pm

CHICAGO (CBS) — U.S. Congresswoman Marie Newman has only in office for five months.

And now she has a court battle on her hands and that could cost you, the taxpayers.

READ MORE: [Body Found In Little Calumet River Identified As Missing 12-Year-Old Kyrin Carter](#)

Newman is being sued by a man she promised to hire.

CBS 2 Political Investigator Dana Kozlov reports the contract in question was signed two years before Newman was even elected to office.

In it, the future 3rd District candidate Marie Newman promised Iymen Chehade a job if she won.

She did. But that job never came.

Chehade said taxpayers and constituents should be concerned. Newman's camp stops short of calling the lawsuit a money grab.

"There's an irony in all this is that you're a lawmaker but you're breaking contracts."

Adjunct history professor Iymen Chehade is referring to a contract he signed in December of 2018, with future 3rd District Congressional candidate Marie Newman.

In it, Newman guaranteed Chehade a \$135,000 to \$140,000 a year "Chief Foreign Policy Advisor" or similar job, if she went on to win her seat.

Chehade said it was an inducement to keep him from running in the primary, too. Why?

"Too many horses in the race at that time," Chehade said.

He said the collective goal was beating longtime incumbent Dan Lipinski. But Chehade, a Palestinian-American, admits the two of them had a disagreement.

"I guess you could call it a falling out," said Chehade.

It was over a stance Newman took on Palestinian-Israeli policy. After she won her seat, Newman's personal attorney sent Chehade's attorney a letter calling him "unsuited for such a role."

But he filed this lawsuit, he said, as a matter of principal, adding Newman's congressional lawyers are involved in defending her as well.

"I think taxpayers should know where their money is going," Chehade said.

A campaign spokesperson points out her congressional staff attorneys are salaried, which means there are no additional costs because of this lawsuit.

That spokesperson added that Chehade also misrepresented his qualifications.

Newman's spokesperson sent CBS 2 a statement:

"Mr. Chehade was never and has never been a candidate in a congressional race for Illinois' 3rd District. Mr. Chehade was not hired in part because he not only misrepresented his qualifications but was ill-suited for a senior role in a congressional office, as demonstrated by his interactions with Ms. Newman and her campaign volunteers.

"In fact, in the summer of 2019, Mr. Chehade explicitly conveyed to Ms. Newman over the phone that he could not work with her. It was only after several months of no direct communication between the two that Mr. Chehade contacted Ms. Newman pleading to her to hire him in her official office.

MORE NEWS: [Pet Sitter Lost Client's Dog After Taking Pet Out Of Town](#)

"While these reasons have been communicated multiple times to Mr. Chehade over the past year, he has spent over a month making false statements to the press. We look forward to the matter being addressed in court and, until then, we will not be commenting further."