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U.S. House of Representatives

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4051 225-7103

June 14, 2000

BY HAND DELIVERY

The Honorable Earl F. Hilliard
1314 Longworth House Office Building
U.S. House of Representatives
Washington, D.C. 20515

Re: In the Matter of Representative Earl F. Hilliard

Dear Representative Hilliard:

Pursuant to Rule 27g(4) of the Rules of the Committee on Standards of Official Conduct, we are notifying you that the Committee has expanded the scope of the Investigative Subcommittee's inquiry to include the following matters:

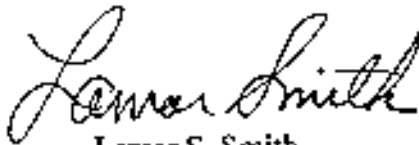
1. The use of campaign funds to: (a) pay salaries, wages, or other compensation to Rita Hall (Patterson), Elizabeth Redmond (Turner), and Yolanda Williams during the period of 1992-1996; (b) make loans or other disbursements to the Alabama Film & Entertainment Council in 1993; and (c) make reported expenditures for rent during the period of August through December 1996 in connection with the campaign's use or occupancy of premises in Montgomery, Alabama.
2. The financial relationships between, and transactions relating to, American Trust Corporation, American Trust Life Insurance Company, Inc., Representative Hilliard's campaign organization, and the African-American Institute, a non-profit corporation under section 501(c)(3) of the Internal Revenue Code.

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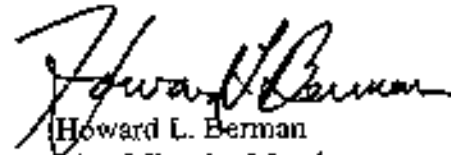
The Committee has taken this action in conformity with the requirements of Committee Rule 20(c). Any communications by your counsel should be addressed to the Investigative Subcommittee or to its counsel, Kenneth E. Keilner, who may be reached at (202) 225-7103.

We note for your information that the Committee has determined not to issue a press release announcing the expansion described in this letter.

Sincerely,



Lamar S. Smith
Chairman



Howard L. Berman
Ranking Minority Member

cc: Ralph Lotkin, Esq.