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June 25, 2024

Omar Ashmawy
Chief Counsel
Office of Congressional Ethics
U.S. House of Representatives
P.O. Box 895
Washington, DC 20515-0895

Email: oce@mail.house.gov

RE: NLPC COMPLAINT AGAINST U.S. REPRESENTATIVE ILHAN OMAR

Dear Mr. Ashmawy:

The National Legal and Policy Center (NLPC), a nonprofit organization dedicated to promoting ethics in government,¹ hereby files this complaint with the Office of Congressional Ethics (OCE) to immediately investigate whether U.S. Representative Ilhan Omar violated House Ethics Rules by failing to fully disclose and/or by filing false or misleading information regarding the business assets and liabilities of her spouse, Tim Mynett, on the last three years of her Financial Disclosure Reports.

¹ NLPC has filed other ethics complaints against Rep. Omar for a disclosure report violation as well as an FEC Complaint in 2019 for using campaign funds for personal use with respect to her campaign consultant and now husband, Tim Mynett. See <https://nlpc.org/?s=ilhan+omar> and <https://archive.nlpc.org/2020/07/08/federal-election-commission-must-act-on-ilhan-omar-campaign-cash-to-husband/>. Following the filing of our FEC complaint, Rep. Omar discontinued her use of Mynett's firm. See also NLPC complaint against Rep. Alexandria Ocasio-Cortez, the latter for violating the House Gift Rule in 2021 for attending the Met Gala in New York, which was referred to the House Ethics Committee by the OCE. See <https://nlpc.org/featured-news/office-of-congressional-ethics-says-aoc-may-have-broken-house-rules-and-federal-law/>

For the following reasons, the OCE should initiate a “preliminary inquiry,” conduct a full investigation, find that there is “substantial reason to believe” that these allegations are true, and refer this matter to the House Ethics Committee for disciplinary action against Rep. Omar.

Tim Mynett’s Wine and Cannabis Businesses

The basis for NLPC’s complaint is information disclosed in press reports and court filings regarding Tim Mynett’s business dealings with his partner Will Hailer. The financial information reported in those reports and lawsuits do not appear to be properly reflected in Rep. Omar’s financial disclosure reports.

A recent Minnesota Reformer article, *Rep. Ilhan Omar’s husband accused of swindling investor in their California winery: Tim Mynett and his business partner Will Hailer deny defrauding the investor, while another company they started owes \$1.2 million to cannabis growers in South Dakota* (June 5, 2024)² detailed the failings of at least two businesses that Mr. Mynett had a financial interest in.

Wine Business

With respect to the wine business, the article notes:

In fall 2021, D.C.-area restaurant owner Naeem Mohd was presented with an unbelievable investment opportunity.

Two political operatives-turned-venture capitalists would triple Mohd’s money in just 18 months if he invested \$300,000 in their new California winery.

The pair had been paid in grapes by a former client and had hired a well-respected Sonoma winemaker to turn those grapes into profit. They promised if they didn’t pay Mohd the full \$900,000 on time, they would tack on 10% monthly interest on any outstanding balance, according to the contract shared with the Reformer.

The offer might have seemed suspicious if not for the person making it: Tim Mynett, a well-connected political consultant and husband to U.S. Rep. Ilhan Omar, whom he married in 2020.

² <https://minnesotareformer.com/2024/06/05/rep-ilhan-omars-husband-accused-of-swindling-investor-in-their-california-winery/> See also Josh Christenson. “Rep. Ilhan Omar called out by opponent for ‘deception’ over husband’s shady dealings with winery, pot growers.” (New York Post, June 6, 2024). <https://nypost.com/2024/06/06/us-news/rep-ilhan-omar-called-out-for-deception-over-husbands-shady-business-deals/>

Mohd wired the \$300,000 to Mynett and his long-time business partner Will Hailer, with whom he founded a political consultancy called E Street Group in 2018.

But 18 months came and went without Mohd receiving the 200% return he was promised from the winery, eStCru. Mynett and Hailer only returned Mohd's \$300,000 — about a month late — according to a lawsuit Gill filed on behalf of Mohd in California last fall seeking at least \$780,000.

The complaint, which has not been previously reported, claims the pair “fraudulently misrepresented ... that estCru, LLC was a legitimate company.”

According to the lawsuit filed by lawyer Faisil Gill, a former friend of Mynett, “Both William Hailer and Timothy Mynett personally guaranteed this return of Plaintiff Mohd’s investment to Mr. Mohd. Both Hailer and Mynett knew they would not pay Plaintiff the money they promised to pay him” Complaint, para. 18.³

Thus, if these allegations of both the \$300,000 investment and the personal guaranty by Mynett are true, both the asset and possibly the guaranty may be a reporting omission in Omar’s 2021 financial disclosure report.⁴

The winery, eStCru (a name that appears to be a variation of the name of Mynett’s and Hailer’s E Street Group political consulting company), is indeed listed on Omar’s disclosure report for 2021 as an Asset under Schedule A, but it is only valued between \$15,000 and \$50,000.⁵ That value seems underreported since in September 2021, eStCru received the \$300,000 investment from Naeem Mohd. And even if Mynett had only a 50% interest in the company, it still appears that his valuation of a maximum of \$50,000 is underreported.

An examination of Rep. Omar’s 2022 report lists the asset value of eStCru, or at least Mynett’s share, between \$50,000 and \$100,000.⁶ Thus, the valuation of the winery appears to have increased since 2021, and possibly almost doubled, if the maximum amounts on the 2021 and

³ <https://www.documentcloud.org/documents/24734828-wine-complaint-mynett?responsive=1&title=1>

⁴ While a contingent liability such as a personal guaranty may be excluded, the House Ethics Committee’s Instruction Guide (p. 32) states that the person “may need to list the position on Schedule E.” Moreover, an OCE investigation may discover that the guaranty is no longer contingent. See https://search.yahoo.com/yhs/search?hspart=trp&hsimp=yhs-001&grd=1&type=Y143_F163_201897_102620&p=house+financial+disclosure+manual.

⁵ https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2021/10047039.pdf

⁶ https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2022/10053193.pdf

2022 reports are the values of the asset, or perhaps tripled if the minimum amounts on those two reports are the values of the asset.

Finally, an examination of Rep. Omar's 2023 report filed last month on May 14, 2024, shows the value of the winery is back down to the \$15,000-\$50,000 range as it was two years ago in 2021.⁷ Yet, for the first time since he started the winery business, Mynett reports income from his partnership in the winery between \$200-\$1,000.

Cannabis Business

The Minnesota Reformer article also reports on Mynett's cannabis business.

In April 2023, soon after Stancliff [an employee of Mynett and Hailer] said she stopped getting paid and Mohd was due a big payday that never came, three of Hailer and Mynett's other companies agreed to pay \$1.7 million to three South Dakota marijuana entrepreneurs to settle [a lawsuit alleging fraud](#) and breach of contract.

The companies — eSt Ventures, Badlands Fund GP and Badlands Ventures — only paid \$500,000. That led to a [confession of judgment](#) last fall, not previously reported, which was signed by Hailer, with the companies admitting they still owe \$1.2 million.

The marijuana entrepreneurs and their investors are now suing Hailer and the companies in Nebraska, where Hailer lives, for the remainder.

Mynett was mentioned in the lawsuit but not named as a defendant. He wrote in an email that he withdrew from eSt Ventures in early 2022, "because I wasn't active in any of the work (securing investment, placing investment or even structure)." The company is now listed as "inactive" because it's delinquent on its business filing fee in Nebraska.⁸

While Mynett said he withdrew from one of the three companies, eSt Ventures LLC, in early 2022, he did not say he withdrew from Badlands Fund GO and Badlands Ventures. In any event, none of these other two businesses were listed as an asset in Rep. Omar's 2023 disclosure report.

On her 2022 disclosure report, she does list "EstVenture LLC" as an asset with a value of "None" but somehow it was generating partnership income between \$15,000-\$50,000.⁹ By

⁷ https://www.documentcloud.org/documents/24733495-io_-_annual_fd_for_cy_2023_filed_5142024?responsive=1&title=1

⁸ <https://minnesotareformer.com/2024/06/05/rep-ilhan-omars-husband-accused-of-swindling-investor-in-their-california-winery/>

⁹ https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2022/10053193.pdf

comparison, on her 2021 disclosure report, she does list “EstVenture LLC” as an asset worth \$1-\$1,000 and generating income of \$5,001 -\$15,000.¹⁰

In any event, none of these reports disclose Mynett’s interest in Badlands Fund GP and Badlands Ventures, which are investment funds. It may be that he did not have any interest in them, but considering the questionable reporting of his wine business, the OCE should investigate this matter as well.

Failure to disclose intellectual property

While Mynett and Hailer’s wine business seems to be a bust, they say they are now working to sell the intellectual property and trademarks associated with the brand.¹¹ Yet none of Rep. Omar’s financial disclosure reports list intellectual property as an asset. If Mynett’s share of those assets exceed \$1,000, it should have been reported.

Accordingly, the OCE must investigate the value of those assets in addition to his other assets and transactions. Indeed, Rep. Omar did not list any transactions by her spouse under Schedule B: TRANSACTIONS for the last three years regarding any of his wine and cannabis businesses.

CONCLUSION

NLPC respectfully requests that the Office of Congressional Ethics find that there is “reasonable cause to believe” that Representative Ilhan Omar may have violated the House Ethics Rules by failing to accurately report the financial assets, transactions, and liabilities of her spouse. OCE should conduct a full investigation of her husband’s assets and liabilities, including obtaining copies of his partnership agreements and bank records.

To the best of my knowledge and ability, all evidence submitted was not obtained in violation of any law, rule, or regulation. Further, I am aware that the 18 U.S.C. 1001, applies to information submitted to the Office of Congressional Ethics.

Respectfully submitted,

/s/ Paul D. Kamenar

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¹⁰ https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2021/10047039.pdf

¹¹ See n. 6, *supra*.