

# John Edwards' Hush Money Was Not Illegal, FEC Told Campaign

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After [John Edwards](#) was indicted, Federal Election Commission auditors determined that the hush money he received from wealthy donors to cover up a torrid affair did not need to be reported in the campaign's financial disclosure reports, his campaign's chief financial officer testified today.

After three weeks of salacious testimony about Edwards' affair with mistress Rielle Hunter and the nearly \$1 million collected to keep it quiet, Edwards' lawyers kicked off their defense focusing on the much less steamy intricacies of campaign finance law.

After reviewing the campaign's financials for four years, the FEC determined last month that money Edwards' aides collected from wealthy donors Rachel "Bunny" Mellon and Fred Baron were "not campaign contribution[s]," Lora Haggard, Edwards' 2008 chief financial officer, said today.

[Edwards is charged](#) with six counts of campaign finance violations, allegedly using the money to protect his bid for the 2008 presidential nomination and later his hopes to be named vice president or attorney general. If convicted, Edwards could be sentenced to 30 years in prison.

Much of Haggard's testimony took place while the jury was outside the courtroom as federal Judge Catherine C. Eagles determined if her testimony would be admissible.

While the FEC may have one idea about the legality of the contributions, the prosecution clearly has another.

"What the FEC ruled is not relevant," said prosecutor Jeffrey Tsai. "Whatever the FEC determined is not relevant to the criminal charges."

Edwards' defense team insists the money from Mellon and Baron was never intended as political contributions, but were personal gifts to keep his wife from finding out and to provide for his illegitimate daughter.

"They are not contributions to the campaign because they were not contributions to urge the public to vote for John Edwards," Haggard said.

Haggard said Edwards was not involved in the way records were filed with the FEC and gave no instructions to keep donations secret.

She said Edwards did "nothing" to influence the way she filed reports with the FEC.

The defense initially planned to call former FEC chairman Scott Thomas as their first witness today. Prosecutors objected to his testimony, and Eagles said she would rule on whether he would be allowed to testify.

Edwards defense hinges on how broadly the judge will interpret federal election law, even down to the word "the"

The statute governing illegal receipt of campaign contributions "means any gift, subscription, loan, advance, or deposit of money... for the purpose of influencing any election for federal office."

The words "the purpose" suggests that in order for a conviction, the sole reason for the money would have to be to finance a presidential campaign.

Edwards' legal team has argued he did not know it might be illegal, did not intend to break the law and that his main reason for hiding Hunter was to keep her secret from his [wife, Elizabeth](#), who was dying of breast cancer.

Prosecutors, however, are arguing the law should be interpreted to mean "a purpose," meaning use of the donations does not have to be solely for a political campaign.

"It is sufficient under the law if you find that the gift, purchase, or payment was made for, among other purposes, the purpose of influencing any election for federal office," prosecutors argued in court filings last week.

Edwards' lawyer Abbe Lowell has argued that prosecutors are asking the jury to "invent a new crime" with its interpretation of the law.

The defense is also expected to go after the prosecution's key witness Andrew Young, a former Edwards' aide who helped hide Hunter, going on the road with her to keep her away from the press, even claiming paternity for his boss.

Edwards defense has argued that much of the money was solicited by Young and he used the scandal to enrich himself.

Among Edwards' witnesses will likely be his daughter Cate, who has been his most visible supporter throughout the trial.

Hunter is on Edwards' list of witnesses, but it's not clear whether she will be called. Her presence in the courtroom could be volatile.

It's not yet known whether Edwards will take the stand in his own defense.