

APPENDIX A

HOUSE OF REPRESENTATIVES

112TH CONGRESS

2d SESSION

COMMITTEE ON ETHICS

INVESTIGATIVE SUBCOMMITTEE

IN THE MATTER OF REPRESENTATIVE LAURA RICHARDSON

STATEMENT OF ALLEGED VIOLATION

Adopted July 18, 2012

STATEMENT OF ALLEGED VIOLATION

For each of the following alleged violations, the Investigative Subcommittee has determined there is “substantial reason to believe that a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct applicable to the performance of the official duties or the discharge of official responsibilities by a Member, officer, or employee of the House of Representatives has occurred.” See Rule 19(f), Rules of the Committee on Ethics.

At all times relevant to this Statement of Alleged Violation, Representative Laura Richardson (Respondent) was a Member of the United States House of Representatives, representing California’s 37th congressional district, and a Member of the House Committee on Homeland Security and the House Committee on Transportation and Infrastructure.

I. STATEMENT OF FACTS IN SUPPORT OF ALLEGED VIOLATIONS

A. Background

1. Respondent was first elected to serve California’s 37th congressional district in 2007, in a special election following the death of then-Representative Juanita Millender-McDonald. Respondent was reelected in 2008.
2. On June 8, 2010, Respondent won the Democratic primary election for California’s 37th congressional district. Respondent had two opponents in that primary election.
3. On November 2, 2010, Respondent was reelected as a Member of the House of Representatives for California’s 37th congressional district.
4. During calendar year 2010, Respondent employed between 22 and 43 staffers across her Washington, D.C. and Long Beach, CA offices. No fewer than nine staffers served the 37th

congressional district from the Long Beach, CA office (the “district office”) during the three months preceding both the primary and general elections in 2010.

B. The Long Beach Office

5. In early 2010, as Respondent was beginning her campaign for the primary election, Respondent’s Chief of Staff Shirley Cooks traveled to the Long Beach, CA office to hold a meeting with district office staff. During that meeting, Ms. Cooks told the staff that each of them would be expected to work on Respondent’s campaign. When one district office staff member (“Staffer A”) asked what would happen if he did not volunteer to work on the campaign, Ms. Cooks responded, in sum and substance, that Staffer A “would probably not have a job.”

6. After that meeting, from on or about March 29, 2010, through the primary election on June 8, 2010, Respondent implemented a practice whereby district office employees were expected to close the Long Beach, CA office promptly at 6:00 PM every workday, and travel immediately to the campaign office, where they were expected to make campaign phone calls and perform “precinct walks” involving face-to-face campaigning with voters in the 37th congressional district.

7. Respondent’s general practice was that the district office employees were not permitted to take a break for dinner or to perform any other personal tasks before reporting to the campaign office to perform campaign work.

8. During this same time period, Respondent also implemented a practice whereby district office staffers were expected to attend additional campaign events held on weekends, including precinct walks, as well as meetings regarding potential endorsements of Respondent by community groups and newspapers.

9. Respondent directed District Scheduler and/or Deputy District Director Daysha Austin to establish a schedule for the required evening and weekend campaign work.
10. Respondent implemented the same practices for the 2010 general election. From on or about September 27, 2010, until the general election on November 2, 2010, district staffers were again expected to perform campaign work during the evenings and weekends.
11. On one occasion, when Staffer A attempted to leave the campaign office at approximately 8:00 PM, Respondent made a statement to the effect of, "It's not 9 o'clock yet. Sit down and wait, make some more phone calls."
12. At some point during the fall of 2010, Respondent directed Staffer A to go to her opponent's campaign office and volunteer to assist her opponent's campaign, using a fictitious name, for the purpose of gathering information including flyers and leaflets from that opponent.
13. In the fall of 2010, Respondent directed a senior staffer in the district office ("Staffer B") to verbally discipline staffers who did not perform campaign work to Respondent's satisfaction.
14. On at least two occasions, Respondent required district office employees who failed to attend campaign events to attend additional official events after normal working hours. Respondent and Ms. Austin, in the presence of another staffer ("Staffer C"), explained this excess scheduling of employees who were not participating in campaign activities by stating that the other district office employees were at the campaign office. Staffer C understood Respondent's statement to mean that those who refused to "volunteer" for campaign work would be scheduled for additional official work as a punishment.
15. On other occasions, Respondent and Ms. Austin would repeatedly call or email district office staffers who failed to attend campaign events, in order to secure their appearance, with the effect of pressuring and intimidating them.

16. Through these practices, Respondent compelled at least four employees of the district office to perform over approximately ten or more hours of campaign work each week for approximately two months before the 2010 primary election, and again for approximately two months before the 2010 general election campaign. As a consequence, Respondent compelled hundreds of hours of non-voluntary campaign work from her district office staff during this time period.

17. During the 2010 campaign, Respondent used her Member's Representational Allowance (MRA) to purchase multiple boxes of paper and other office supplies for the district office, which were later seen inside the campaign office.

18. During the 2010 campaign, Respondent ordered Ms. Austin and Staffer C to print several boxes of paper worth of precinct walk sheets on the district office's printer, which had been purchased and was maintained using MRA funds.

19. On or about August 22, 2010, Respondent emailed members of her district office staff, using the staff's official House email, and directed that a member of her staff "need[ed]" to attend a fundraising dinner for a local Democratic organization. When Ms. Cooks sent an email asking House staff members to volunteer for this event, Respondent replied, "Its not volunteering or doing me a favor. Its events on the schedule that are not properly assigned or covered, again. I just don't understand why am I the only one reading the schedule, thinking ahead and understanding the dynamics of this time in the year. Frustrating."

20. Respondent directed Ms. Austin to perform campaign work during official hours in March, April, May, June, August, September, October and November of 2010. Ms. Austin performed this work both in the district office as well as the campaign office. From on or about

September 1, 2010 through the general election on November 2, 2010, Ms. Austin was spending approximately less than half of the official work day in the district office.

21. Respondent leased a car for official use using MRA funds. The car was located in the district. During the 2010 campaign, Respondent used the car to travel to and from fundraising and other campaign events. She also required district office staffers to drive her in the car to and from those events, even if the event was during official hours.

22. Respondent required that the car be parked at her personal residence while she was in Washington, D.C., and used it to commute from the district office to her personal residence when she was in California.

C. The Washington, D.C. Office

23. On or about the evening of September 29, 2010, Respondent held a campaign fundraiser in Washington, D.C. The event was called “Democratic Idol” (also known as “DC Idol”), and featured Members of Congress singing karaoke in a parody of the popular television show, *American Idol*.

24. On or about August 4, 2010, Respondent, using official House email, requested that an employee in her Washington, D.C. office (“Staffer D”) visit prospective sites for the Democratic Idol event, stating “Please go to all the locations we discussed over the last two weeks and take pictures to email to me TODAY...” When Staffer D responded that she would “try to get pictures for these sites today,” Respondent replied, “Not try...please get outside, entrance, and room.” Staffer D performed these site visits during the workday.

25. During September 2010, Respondent directed Ms. Austin to make preparations for the Democratic Idol event. Ms. Austin performed a number of tasks herself, including the creation

of a flyer for the event and other logistical arrangements, while on official time, and assigned other members of the Washington, D.C. office staff with tasks to prepare for the event.

26. Ms. Austin flew from Long Beach, CA to Washington, D.C. on or about the week of September 29, 2010, in order to complete preparations for, and to attend, the Democratic Idol event. The MRA was used to pay for Ms. Austin's travel and other expenses during that trip.

27. Respondent's Washington, D.C. office was used to store materials for the Democratic Idol event, such as flyers and prizes for contestants.

28. On or about September 27, 2010, Respondent via email told Ms. Cooks to advise the Washington, D.C. office staff that "we will need EVERYONE'S help . . . including interns" at the Democratic Idol event. Six minutes after Respondent gave this direction, Ms. Cooks sent an email to the entire Washington, D.C. staff stating, "All staff are required to attend Ms [sic] Richardson's event. Bring spouses and tell interns they have to be there as well."

29. When Staffer D raised a concern with Ms. Cooks about requiring interns to attend Democratic Idol, Ms. Cooks responded, "are you the intern police?"

30. On the day of the Democratic Idol event, one Washington D.C. staff member ("Staffer E") stated that Staffer E would be unable to attend the event, because a loved one had just undergone a medical procedure, and Staffer E needed to go home to care for them. Ms. Cooks responded to Staffer E that she had "mentioned to the boss your need to go home by 6:00 tomorrow [sic] she [Respondent] said you can leave at 7:00."

31. Respondent, both directly and through Ms. Austin, assigned Staffer E the job of creating a PowerPoint presentation for the Democratic Idol event. Respondent told Staffer E, in sum and substance, that "[Ms. Austin] would give [Staffer E] the information to put on [the PowerPoint] and [Respondent] wanted this." On or about September 28, 2010, during Staffer E's official

workday, Ms. Austin, using Staffer E's official House email account, sent Staffer E information to be included in the PowerPoint presentation. Staffer E was asked to perform this job on official time and using an official House computer.

32. Washington, D.C. staff members were assigned to perform certain tasks during the Democratic Idol event. Ms. Austin created a list of these tasks and the employees assigned to them, which included:

- a. Decorations, event set-up, meet vendors, etc.
- b. Greet guests entering on Louisiana and direct them to the 2nd Floor elevator and tell them to take it to the 7th floor
- c. Greet guests entering on New Jersey Avenue and direct them to the lower elevator and tell them to take it to the 7th floor
- d. Greet guests as they exit the elevator and direct them to the registration table
- e. Greet guests, pass out name tags and collect checks and hand out "no camera's or phones permitted card"
- f. Greet performers (Members) and direct them to the hold room
- g. Assist with serving of food and restocking
- h. Assist with power point presentation [sic]
- i. Photography
- j. Assist [paid campaign staff] with U Sing it Karaoke with music
- k. Assist CLR [Respondent] with managing program, ensure performers are ready to perform.

33. On or about July 21, 2010, Respondent required one Washington, D.C. staff member ("Staffer F") to attend a fundraising breakfast regarding health care. Respondent directed Staffer

F's attendance at the fundraiser due to the fact that the issue of health care was a part of Staffer F's official portfolio.

34. On or about July 19, 2010, during Staffer F's official workday, Respondent, using official House email, directed Staffer F to review a spreadsheet provided by Respondent's campaign fundraiser listing individuals or entities related to the health care industry and compare it with Staffer F's official contacts in the health care sector. After Staffer F expressed her concern to Respondent about performing campaign work in the House office, Respondent reassigned Staffer F's official work for the day to another staffer and allowed Staffer F to work on the spreadsheet from home.

35. During the 2010 general election campaign, Respondent required Staffer E to perform opposition research, by requiring Staffer E to collect articles regarding Respondent's political opponent, and to surreptitiously visit the Washington, D.C. office of her opponent's nonprofit organization, and report back to Respondent regarding what Staffer E saw. Respondent told Staffer E that Staffer E had taken too much time off of work for doctor's appointments, and that performing this campaign work would prevent Respondent from docking Staffer E's pay.

D. Obstruction of the Committee's Investigation

36. On Friday, October 15, 2010, the Committee sent a letter to Respondent notifying her of the initiation of an investigation by the Committee regarding allegations "that indicate members of [Respondent's] official House staff may have performed work on your campaign while still being paid by the House and that other official resources may have been used for campaign activity."

37. On Saturday, October 16, 2010, after being officially notified of the Committee's investigation, Respondent contacted her budget manager to inquire for the first time about

adjusting Ms. Austin's status to "half-time," and the possibility of doing so retroactively into the month of September. The budget manager informed Respondent that the change could only be made retroactive to October 1, 2010, as September pay had already been distributed. Respondent accepted the change.

38. The following week, on or about October 19, 2010, Ms. Austin directed Staffer C to alter the official calendar to indicate that Ms. Austin's status during October 2010 was "half day leave without pay." When Staffer C was unable to make the retroactive change to Ms. Austin's satisfaction, Ms. Austin used Staffer C's computer and to make the change herself. Staffer C was surprised at the urgency of the change, particularly given that the change was for days that had already passed.

39. On or about October 17, 2010, Respondent held a meeting with district office staff in the Long Beach, CA office. Respondent attended in person; Ms. Cooks and the Washington, D.C. staff attended via teleconference. During the meeting, Respondent explained that she was under investigation by the Committee. Respondent attempted to influence the testimony of members of her staff by suggesting that they tell the Committee that their work on her campaign had been voluntary, even though some of it had not, and that they tell the Committee that they had not observed any use of House resources for campaign purposes, even though some of them had.

40. During the October 17, 2010 meeting, Respondent intimidated Staffer C by suggesting to Staffer C what Staffer C's answers should be if questioned by the Committee.

41. During this same meeting, Respondent singled out another district office employee ("Staffer G") and told Staffer G to tell investigators, in sum and substance, that Staffer G had "volunteered on [Staffer G's] own free will for the last couple of months after work hours and during the weekends."

E. Conduct During 112th Congress

42. On June 5, 2012, Respondent placed second in the primary election for California's 44th congressional district.¹ Her opponent, Representative Janice Hahn, placed first. California law establishes a "top-two" primary system, in which the candidates who place first and second in an open primary are placed on the ballot regardless of party affiliation. Accordingly, Respondent is a candidate in the general election for the 44th congressional district.

43. Despite being aware since October 2010 of the Committee's investigation into her activities regarding the impermissible use of House resources and House staff for campaign or non-official purposes, Respondent has continued to require staff members in her Washington, D.C. and Long Beach, CA offices to perform campaign work.

44. Respondent directed a member of her Washington, D.C. staff ("Staffer H") to travel to Long Beach, CA in approximately February 2012 for meetings, which Staffer H initially believed to be official in nature. Upon arriving at the first event, Staffer H discovered that at least some of the scheduled events were, in fact, campaign events. Additionally, during the winter and spring of 2012, Respondent repeatedly pressured Staffer H to participate in campaign activities in Washington, D.C.

45. From approximately March 2011 until approximately March 2012, Respondent directed a Wounded Warriors program fellow ("Fellow A"), who worked in Respondent's district office, to perform campaign work while Fellow A was on official time.

II. ALLEGED VIOLATIONS

**Count I
(Violation of Purpose Law)**

46. Paragraphs 1 through 45 are incorporated by reference as if fully set forth herein.

¹ Based on the results of the 2012 redistricting process, Respondent chose to declare her candidacy in the newly-created 44th congressional district.

47. The “Purpose Law,” 31 U.S.C. § 1301, provides that “[a]ppropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.”

48. The Committee on House Administration sets forth the regulations governing the use of the MRA in the *Members’ Congressional Handbook* (“*Members’ Handbook*”). See House Rule X, cl. 1(k).

49. The *Members’ Handbook* provides that “[o]nly expenses the primary purpose of which are official and representational and are incurred in accordance with the Handbook are reimbursable.” *Members’ Handbook* at 6.

50. At all times relevant to this Statement of Alleged Violation, Respondent controlled appropriations in the form of her MRA.

51. During the periods preceding the 2010 primary and general elections for California’s 37th congressional district, and the 2012 primary election for California’s 44th congressional district, Respondent applied those appropriations to objects not authorized by the appropriation, by using official House resources to perform campaign, political, personal, or non-official tasks.

52. That use of official House resources included the use of staff time, use of House email, computing, and other information technology resources, use of House office supplies, reimbursement of travel and other expenses, or use of a leased vehicle. Those expenses were paid using Respondent’s MRA.

53. By engaging in the conduct described above, Respondent violated 31 U.S.C. § 1301 and other standards of conduct, including the implementing policies contained in the *Members’ Handbook*.

Count II
(Violation of House Rule XXIII, cl. 8(a))

54. Paragraphs 1 through 45 are incorporated by reference as if fully set forth herein.
55. Clause 8(a) of House Rule XXIII states that “A Member, Delegate, Resident Commissioner, or officer of the House may not retain an employee who does not perform duties for the offices of the employing authority commensurate with the compensation such employee receives.”
56. House Rule X, clause 1(g) provides that the Committee shall have jurisdiction over the Code of Official Conduct, House Rule XXIII.
57. House Rule XI, clause 3(a)(1) delegates to the Committee the authority to “recommend to the House from time to time such administrative actions as it may consider appropriate to establish or enforce standards of official conduct for Members....”
58. The Committee, pursuant to the authority granted to it by House Rules, implemented the following policy regarding House Rule XXIII, clause 8(a):

Thus when it is anticipated that an employee will be assuming significant campaign duties, it may be necessary for the employing Member to make an appropriate reduction in the employee’s House pay. Certainly an appropriate reduction in salary is necessary when a full-time employee goes to part-time status in the congressional office in order to do campaign work. Members and staff should also bear in mind that bonuses, including “lump sum” payments, are for the performance of official duties only, and they are **not** to serve as compensation or a reward for campaign work.

House Ethics Manual at 140 (emphasis in the original).

59. For approximately two months prior to the 2010 primary and general elections for California’s 37th congressional district, Respondent retained Daysha Austin as a full-time employee serving as Respondent’s District Scheduler and/or Deputy District Director. Ms. Austin, with Respondent’s knowledge or at Respondent’s direction, performed campaign work during approximately more than half of her official hours, but did not receive a reduction in

official pay until October 2010. Accordingly, Ms. Austin did not perform the duties for her office commensurate with the compensation she received.

60. By engaging in the conduct described above, Respondent violated clause 8(a) of House Rule XXIII, and other standards of conduct including the implementing policies of the Committee.

Count III
(Conduct in Violation of the Code of Official Conduct: Conduct Reflecting Discreditably on the House – Improper Use of House Resources)

61. Clause 1 of House Rule XXIII states that a Member “shall behave at all times in a manner that shall reflect creditably on the House.”

62. Respondent’s use of House resources for campaign, political, personal, or non-official purposes may have violated the Purpose Law - 31 U.S.C. § 1301, and other standards of conduct including the implementing policies contained in the *Members’ Handbook*.

63. Respondent’s retention of Ms. Austin as a full-time official staffer while she did not perform official duties commensurate with their compensation may have violated House Rule XXIII, cl. 8(a), and other standards of conduct including the implementing policies of the Committee.

64. Respondent’s conduct, including her conduct after receiving notice of the Committee’s investigation, evidences a pattern of indifference or disregard for the laws, rules or regulations of the United States or the House of Representatives.

65. Respondent’s actions and accumulations of actions reflected poorly on the institution of the House and, thereby, brought discredit upon the House.

66. By engaging in the conduct described above, Respondent violated clause 1 of House Rule XXIII.

Count IV
(Conduct in Violation of the Code of Official Conduct: Conduct Reflecting Discreditably on the House -- Violation of Prohibition on Compulsory Campaign Work)

67. Paragraphs 1 through 45 are incorporated by reference as if fully set forth herein.
68. Clause 1 of House Rule XXIII states that a Member “shall behave at all times in a manner that shall reflect creditably on the House.”
69. House Rule X, clause 1(g) provides that the Committee shall have jurisdiction over the Code of Official Conduct, House Rule XXIII.
70. House Rule XI, clause 3(a)(1) delegates to the Committee the authority to “recommend to the House from time to time such administrative actions as it may consider appropriate to establish or enforce standards of official conduct for Members....”
71. The Committee, acting pursuant to the authority granted to it by House Rules, has implemented the following policy:

[I]n no event may a Member or officer compel a House employee to do campaign work. To do so would result in an impermissible official subsidy of the Member’s campaign. The prohibition against coercing staff members to do campaign work is quite broad. It forbids Members and senior staff from not only threatening or attempting to intimidate employees regarding doing campaign work, but also from directing or otherwise pressuring them to do such work.

72. During all periods relevant to this Statement of Alleged Violation, Respondent was a Member of the House of Representatives.
73. During the periods preceding the 2010 primary and general elections for California’s 37th congressional district, and the 2012 primary election for California’s 44th congressional district, Respondent coerced members of her staff to do campaign work, by threatening, attempting to intimidate, directing, or otherwise pressuring them to do such work;

74. By engaging in the conduct described above, Respondent violated the implementing policies of the Committee.

75. Respondent's conduct, including her conduct after receiving notice of the Committee's investigation, evidences a pattern of indifference or disregard for the laws, rules or regulations of the United States or the House of Representatives.

76. Respondent's actions and accumulations of actions reflected poorly on the institution of the House and, thereby, brought discredit upon the House.

77. By engaging in the conduct described above, Respondent violated clause 1 of House Rule XXIII.

Count V
**(Conduct in Violation of the Code of Conduct: Conduct Reflecting Discreditably
on the House -- Obstruction of Committee Investigation)**

78. Paragraphs 1 through 45 are incorporated by reference as if fully set forth herein.

79. Clause 1 of House Rule XXIII states that a Member "shall behave at all times in a manner that shall reflect creditably on the House."

80. In or about and between the period following October 15, 2010, through the present, Respondent obstructed, or endeavored to obstruct, this Committee's investigation by directing her staff to testify before this Committee that the work they had done was voluntary, or by altering or destroying evidence pertinent to this Committee's investigation.

81. Respondent's conduct, including her conduct after receiving notice of the Committee's investigation, evidences a pattern of indifference or disregard for the laws, rules or regulations of the United States or the House of Representatives.

82. Respondent's actions and accumulations of actions reflected poorly on the institution of the House and, thereby, brought discredit upon the House.

83. By engaging in the conduct described above, Respondent violated clause 1 of House Rule XXIII.

Count VI
(Conduct in Violation of Code of Ethics for Government Service, cl. 2)

84. Paragraphs 1 through 45, 47, 62, 67, and 75, are incorporated by reference as if fully set forth herein.

85. The Code of Ethics for Government Service (72 Stat. Part 2, B12 (1958), H. Con. R. 175, 85th Cong.) provides that:

Any person in Government service should:

...

2. Uphold the Constitution, laws, and legal regulations of the United States and all governments therein and never be a party to their evasion.

86. Respondent, through her use of House resources for campaign, political, personal, or non-official purposes, failed to uphold applicable laws and legal regulations.

87. Respondent, through her retention of Ms. Austin as a full-time official staffer while she did not perform official duties commensurate with their compensation, failed to uphold applicable laws and legal regulations.

88. Respondent, through her coercion, attempted intimidation, direction, pressure, or compulsion of her official staff to perform campaign work, failed to uphold applicable laws and legal regulations.

89. Respondent, through her obstruction of the Committee's investigation, failed to uphold applicable laws and legal regulations.

90. As set forth above, Respondent failed to uphold or was a party to the evasion of applicable laws and legal regulations.

91. By engaging in the conduct described above, Respondent's conduct violated clause 2 of the Code of Ethics for Government Service.

Count VII
**(Conduct in Violation of the Code of Conduct: Letter and Spirit of
House and Committee Rules)**

92. Paragraphs 1 through 45, 47-49, 55-58, 62-63, 67-71, 76, and 80, are incorporated by reference as if fully set forth herein.

93. Clause 2 of House Rule XXIII states that a Member "shall adhere to the spirit and the letter of the Rules of the House and to the rules of duly constituted committees thereof."

94. Respondent, through her coercion, attempted intimidation, direction, pressure, or compulsion of her official staff to perform campaign work; may have violated other standards of conduct and the policies of the Committee.

95. Respondent's use of House resources for campaign, political, personal, or non-official purposes may have violated the Purpose Law - 31 U.S.C. § 1301, and other standards of conduct including the implementing policies contained in the *Members' Handbook*.

96. Respondent's retention of Ms. Austin as a full-time official staffer while she did not perform official duties commensurate with their compensation may have violated House Rule XXIII, cl. 8(a), and other standards of conduct including the implementing policies of the Committee.

97. As set forth above, Respondent's conduct may have violated House Rule XXIII, clause 8(a), as well as other laws, rules, or standards of conduct, including implementing policies enacted by the Committee or contained in the *Members' Handbook*.

98. Respondent's obstruction of the Committee's investigation may have violated Clause 1 of House Rule XXIII.

99. By engaging in the conduct described above, Respondent violated clause 2 of House Rule XXIII.