

APPENDIX C

**113TH CONGRESS, 2ND SESSION
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON ETHICS**

**IN THE MATTER OF ALLEGATIONS RELATING TO
REPRESENTATIVE DON YOUNG**

April 29, 2014

REPORT OF THE INVESTIGATIVE SUBCOMMITTEE

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I. INTRODUCTION

On February 26, 2013, the Committee on Ethics (Committee) unanimously adopted a resolution empanelling this Investigative Subcommittee (ISC) to investigate allegations that Representative Don Young, or persons acting on his behalf, improperly obtained, received, or accepted gifts, improperly used official resources or campaign funds for personal purposes, and that Representative Young failed to report certain gifts on his annual Financial Disclosure Statements, and made false statements to federal officials. These allegations came to the Committee's attention both through Representative Young's own request on April 23, 2010, that the Committee review the propriety of certain gifts he had received, and also through a letter from the United States Department of Justice (DOJ) on August 17, 2010, indicating that it had conducted an investigation regarding the gifts that were the subject of Representative Young's request, as well as other gifts, and chosen to refer the matter to the Committee. After approximately two years of delays caused in part by this Committee, as well as by disputes with both Representative Young and DOJ regarding discovery of information in their possession, the Committee chose to move forward with its own investigation. That investigation culminated in this Report.

The allegations referred to the Committee by both Representative Young and DOJ related to 22 trips that Representative Young, his family, and his staff took to hunting lodges between 2003 and 2007, as well as several non-trip gifts. The ISC, in addition to the allegations sourced by these referrals, discovered three additional similar trips during its investigation, including some trips taken as early as 2001, and some taken as recently as 2013. The ISC has properly exercised its jurisdiction to review all twenty-five trips, including trips that occurred prior to the beginning of the 110th Congress;¹ however, because some trips were over 10 years old at the time of this inquiry, much of the evidence has gone stale and witnesses interviewed were subject to

¹ See discussion *infra* at Part V.A.

the frailties of human memory. Evaluating older trips was further complicated by the fact that, prior to 2007, the Committee's travel regulations permitted a Member to evaluate the propriety of his own travel without seeking permission from the Committee.

For ten of the twenty-five trips under investigation, Representative Young provided a viable exception to the gift rule, or a viable connection to campaign activity, upon which he purportedly relied. Accordingly, the evidence gathered by the ISC did not form a substantial reason to believe that Representative Young had violated the Code of Conduct or any law, rule, or standard of conduct in accepting the travel expenses associated with those trips.

For the remaining fifteen trips, Representative Young's purported explanations for accepting some or all of the travel expenses relied on an exception to the gift rule that does not exist, or relied on an exception that the still-extant evidence plainly contradicted, or involved expenditures of campaign funds for personal use. The ISC could not, given the evidence it reviewed, find an alternative legal basis that would have permitted Representative Young to accept the expenses in question. For seven of these fifteen trips, only some of the expenses (such as air travel provided by personal friends but not previously approved by the Committee as required by House Rule XXV, or meal expenses paid for by a trade association) were improper, with the remaining expenses for those trips covered by one exception to the gift rule or another. Accordingly, the ISC recommends that the Committee direct Representative Young to repay the value of the portions of those seven trips that he improperly accepted.

For the remaining eight trips, all expenses associated with the travel were either improper gifts or improper personal use of campaign funds. Accordingly, the ISC recommends that the Committee direct Representative Young to repay the value of the improper expenses associated with those trips as well as the cost of the improper gifts he received.

Gifts, even those appropriately accepted under an exception to the gift rule, must be reported on a Member's Financial Disclosure Statements. Representative Young failed to report any of the gifts the ISC reviewed. Accordingly, the ISC recommends that the Committee direct Representative Young to amend his Financial Disclosure Statements to remedy these omissions.²

The ISC found no basis to conclude that Representative Young made any knowingly false statements to government officials. Moreover, the ISC did not find substantial reason to believe that Representative Young acted corruptly or in bad faith when he accepted any of these improper expenses. Nevertheless, the ISC does believe that, in a number of instances, Representative Young should have known that the expenses were improper. Based on that carelessness, the ISC concluded that simply requiring Representative Young to repay the value of the improper travel expenses would be insufficient to remedy the violations uncovered in this inquiry. But without more, the ISC did not believe that a Statement of Alleged Violation, or a contemplation of a sanction on the House floor, would be appropriate. Accordingly, the ISC recommends that the Committee, along with its direction for remedial action by Representative Young, issue a letter of reproof to Representative Young for his conduct.

² This would not require a reporting of any trips properly paid for by Representative Young's campaign.

Despite the fact that the degradation of evidence and outdated rules rendered a disposition of some of these trips impracticable, the ISC nevertheless cautions all Members and staff to remain vigilant when traveling on another's dime. The American public is rightfully sensitive to the perception that the House community engages in lavish junkets unrelated to the duties of representative government. The ISC believes that the current travel regulations, which enforce a greater degree of rigidity in approving trips than those which existed during the majority of the facts discussed in this Report, have gone a long way towards ensuring that the appearances leading to these allegations will be more rare in the future.

II. PROCEDURAL BACKGROUND

During the 111th Congress, on April 23, 2010, Representative Don Young submitted a letter requesting the Committee review certain gifts he received between 2003 and 2007. Representative Young disclosed to the Committee that DOJ was conducting an investigation of the trips. In his view, the entity which had the authority to determine whether his acceptance of such gifts was proper and whether he was required to disclose any of the gifts on his annual Financial Disclosure Statements was not DOJ, but the Committee.³ Representative Young requested that the Chairman and Ranking Member exercise their authority under Committee Rule 18(a) to review the matter. Specifically, Representative Young indicated he accepted travel expenses related to hunting trips, meals, and other items of value between April 2003 and March 2007.

On August 17, 2010, DOJ submitted a letter to the Committee indicating it had conducted an investigation related to travel expenses incurred by Representative Young on hunting trips he took between 2001 and 2007. In its letter, DOJ notified the Committee that it had concluded its investigation and referred the matter to the Committee. DOJ provided to the Committee a list of trips that Representative Young had failed to report on his annual Financial Disclosure Statements, as well as a list of persons interviewed by DOJ in connection with its investigation. DOJ also listed the materials Representative Young had provided to it during its investigation comprising over 150,000 pages of documents. DOJ indicated its willingness to provide copies of certain materials to the Committee.

After the Committee received the letter from DOJ, Committee staff contacted Representative Young's attorney to request copies of the documents that had been provided to DOJ. On or about August 5, 2010, Representative Young's attorney initially indicated that he would provide all of the documents given to DOJ to the Committee. DOJ also indicated that it had the same understanding. However, when Representative Young's attorney eventually provided the Committee with documents on September 21, 2010 (a small fraction of the total

³ Under Committee Rule 3(b), upon request, the Committee may provide an advisory opinion to any Member regarding the "propriety of any current or proposed conduct of such Member ..." The Committee did not consider Representative Young's letter to be a request for an advisory opinion under Committee Rule 3(b) because the conduct Representative Young asked the Committee to review was not "current or proposed conduct," but was conduct that had occurred in the past, and therefore was more appropriately reviewed as an investigatory matter. In addition, in at least one previous matter, the Committee, after receiving a request by a Member to review his past conduct, initiated an investigation of that Member's conduct. See *In the Matter of Representative Charles B. Rangel*, H. Rep. 111-661, 111th Cong. 2nd Sess. (2010).

number of pages of documents received by the Committee), he declined to provide the entire set of documents that he had given to DOJ.

During the 112th Congress, on December 20, 2011, the then-Chairman and Ranking Member reauthorized an 18(a) investigation into the matters submitted by Representative Young and the information provided by DOJ. On February 27, 2012, the Committee sent a letter to DOJ requesting a copy of the materials DOJ identified in its August 17, 2010, letter to the Committee. On April 16, 2012, DOJ provided over 150,000 pages of documents to the Committee. At that time, DOJ declined to provide copies of reports from witness interviews conducted by the Federal Bureau of Investigation (FBI). However, subsequently, DOJ indicated it would reconsider its decision not to provide copies of the witness interview reports if it received a formal request from the Chairman and Ranking Member of the Committee. On July 18, 2012, the then-Chairman and Ranking Member submitted a letter to DOJ requesting copies of the witness interview reports. On or about October 18, 2012, DOJ offered to allow Committee staff to review the reports in its offices. Committee staff subsequently reviewed the FBI reports. However, the Committee and DOJ were unable to reach an agreement wherein the Committee obtained copies of those reports.

Based on an initial review of the documents collected, as well as its review of the FBI interview reports, the Committee voted to empanel this ISC on February 26, 2013.⁴

The ISC issued 20 subpoenas, and reviewed over 220,000 pages of documents which included the over 150,000 pages provided to the Committee during the 111th and 112th Congress. The ISC interviewed 16 witnesses, including Representative Young's former chief of staff, former campaign manager, and other relevant staffers, as well as third parties present during the trips. The ISC sent an additional request for information to Representative Young on February 27, 2014, and informed him that same day of his right to make a statement to the ISC under Committee Rule 19(b)(3). Representative Young provided a response in writing on March 12, 2014.

III. FACTS

Representative Don Young is the at-large Representative for the State of Alaska. He has held that position since 1973. He served as the Chairman of the House Committee on Resources⁵ from 1995 to 2001 and Chairman of the House Transportation and Infrastructure

⁴ Committee Rule 18(d) limits the Committee's jurisdiction over alleged violations to those that occur no earlier than the third previous Congress. However, under Rule 18(d), the Committee has the ability to consider conduct that occurred earlier than the third previous Congress if a majority of the Committee determines that the conduct is "directly related to an alleged violation that occurred in a more recent Congress." The Committee made such a determination with respect to allegations related to conduct that occurred prior to 2007, by separate vote, on the same day it voted to empanel the ISC. As discussed more fully below at Part V.A., this determination was in accordance with the Rules and Committee precedent.

⁵ In the 110th Congress, the Committee on Resources was renamed as the Committee on Natural Resources.

Committee from 2001 to 2007.⁶ He resides in Fort Yukon, Alaska; his wife, Lu, passed away in 2009.⁷

A. Overview of Trips

The ISC reviewed evidence of twenty-five trips taken by Representative Young from 2001 through 2013. These trips all involved hunting activities at ten different ranches or lodges throughout the United States. The accommodations at each ranch or lodge differed greatly; some were rustic, outpost-style hunting cabins, and others were opulent, five-star billets. The various destinations also offered a variety of hunting experiences, with game ranging from birds to trophy elk. At times, Representative Young's family and staff accompanied him; on other occasions, he traveled alone. On five of the twenty-five trips, Representative Young paid for at least some of the expenses out of his campaign funds; the remaining trips were paid for by private sponsors who, in turn, had a variety of relationships with Representative Young – friends, charitable organizations, and businesses alike.

Despite these differences, however, the trips shared a common, unifying theme – Representative Young, over the course of the previous decade, traveled on multiple trips per year to hunt game, and did so without spending his personal funds.

B. Savannah Dhu

Savannah Dhu is a wildlife preserve in Savannah, New York.⁸ Over time, it has grown to include lodging, conference facilities, catering, and other event amenities.⁹ Savannah Dhu is owned, through a shell company,¹⁰ by the family of Robert Congel, a developer with primary operations in upstate New York. Mr. Congel also operates the Pyramid Group (Pyramid), a holding company primarily engaged in the business of operating shopping malls.¹¹ One of Mr. Congel's pet projects, "Destiny USA" (DestiNY), is a shopping complex near Syracuse, New York.¹²

Savannah Dhu comprises about 5,000 acres of developed wildlife habitat.¹³ Guests can hunt wild boar, white-tailed deer, sika deer, fallow deer, a number of different species of birds including wild turkey and pheasant, and elk.¹⁴ Some of these animals, such as white-tailed deer

⁶ Representative Don Young, <http://donyoung.house.gov/biography/> (last visited April 29, 2014).

⁷ *Id.*

⁸ Savannah Dhu, <http://www.savannahdhu.com/learn/preserve.php> (last visited April 29, 2014).

⁹ ISC Interview of Richard Pietrafesa.

¹⁰ Exhibit 1.

¹¹ ISC Interview of Richard Pietrafesa.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*; Savannah Dhu, <http://www.savannahdhu.com/learn/preserve.php> (last visited April 29, 2014).

and wild turkey, are indigenous, while others are imported and managed specifically for hunting.¹⁵ Elk, in particular, are subject to strict management: guests who wished to hunt elk needed prior permission from Mr. Congel.¹⁶

Savannah Dhu's facilities expanded over time, from a single lodge in 1984, to four houses, a conference facility, numerous hunting stands, and other buildings today, with over 100 beds.¹⁷ The preserve employs a kitchen staff, and can provide catering for up to 400 guests.¹⁸ Guests can partake in a variety of activities in addition to hunting, such as fishing, hiking, skeet shooting, golf, and wine country tours.¹⁹

Originally, Savannah Dhu served solely as a retreat for the Congel family.²⁰ Over time, Mr. Congel and his associated companies – including Pyramid Group and DestiNY – began to use the facilities for business development:

COUNSEL: And what kind of business would you use it for?

RICHARD PIETRAFESA: We would entertain potential clients for the DestiNY project at Savannah Dhu.²¹

COUNSEL: Okay. And what was the purpose of Savannah Dhu?

HOWARD LAINHART: Well, it kind of changed. When we first started out, it was just going to be a retreat for family and friends.... And partway through it, it started going towards the business side. More and more business would be done down there, as far as bringing groups from their business down, doing, you know, business meetings, that type of thing... Pyramid Companies was part of it. DestiNY USA was part of it.²²

In addition to business ventures, Pyramid and DestiNY used the Savannah Dhu property as a part of their government relations strategy. According to DestiNY executives, in approximately 2002, the company became interested in a variety of federal government initiatives that would have benefited the project. In particular, DestiNY sought "green bonds," a class of preferred financing for projects that exceeded certain environmental standards.²³

¹⁵ ISC Interview of Howard Lainhart.

¹⁶ Exhibits 2, 3; ISC Interview of Dorothy Schicchitano, ISC Interview of Richard Pietrafesa.

¹⁷ Exhibit 4 at 27343, Exhibit 51.

¹⁸ Savannah Dhu, <http://www.savannahdhu.com/experience/event.php> (last visited April 29, 2014).

¹⁹ Exhibit 5.

²⁰ ISC Interview of Richard Pietrafesa.

²¹ *Id.*

²² ISC Interview of Howard Lainhart.

²³ ISC Interview of Richard Pietrafesa.

DestiNY also sought a designation as a Project of Regional and National Significance (PRNS) under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)²⁴ in 2005.²⁵

Based on DestiNY's interest in federal assistance, it retained Curtis "C.J." Zane, a partner in the Washington, DC, office of Blank Rome, LLP, to lobby on its behalf.²⁶ Mr. Zane had previously served as Representative Young's Chief of Staff. At around the same time, DestiNY began to participate in political fundraising. According to a former DestiNY executive, the company hosted approximately 28 fundraisers for Members of the House of Representatives from 2003 through 2011.²⁷

While DestiNY did not receive PRNS designation in SAFETEA-LU, the project did receive two earmarks, both worth \$5 million, for highway improvements and for the use of digital modeling for large-scale construction projects.²⁸

Originally, DestiNY did not charge groups for the use of Savannah Dhu, because the typical uses – Congel family recreation and business development – were not commercial in nature. When Savannah Dhu transitioned from an outpost for family recreation to a business tool for the Pyramid and DestiNY businesses, those involved in its use attempted to create valuations for its provisions and amenities. Depending on where guests lodged, Savannah Dhu estimated the value of a night's stay at between \$50 and \$200, meals at approximately \$60 per day, and conference services at between \$20 and \$75 per person, excluding all hunting, fishing, and other amenities and services.²⁹ At one point, executives for DestiNY valued the experience at Savannah Dhu at approximately \$1,000 a night.³⁰

Notably, distinct from other retreats discussed in this Report, Savannah Dhu was not and is not operated for the purpose of generating revenue from the guests who visit. So the rates were not set based on the market, but rather in order to permit some guests, particularly public officials, to have a reportable value for their stay. At some point no later than September 2004, DestiNY understood that it needed to bill campaigns for their use of Savannah Dhu for fundraisers.³¹ Eventually, the company settled on a rate of \$49 per night for visitors to the conference facility, including their lodging and meals.³² DestiNY set this value despite the

²⁴ Pub. L. 109-59 §§ 1101(a)(15) (2005).

²⁵ ISC Interview of Richard Pietrafesa.

²⁶ *Id.*

²⁷ *Id.*

²⁸ Exhibit 6.

²⁹ Exhibit 7.

³⁰ Exhibit 5; ISC Interview of Richard Pietrafesa.

³¹ Exhibit 5.

³² *Id.*

significantly higher practical value of the Savannah Dhu experience, in order to comply with campaign finance laws:

MR. PIETRAFESA: Yeah, so we checked with [attorneys] and said, okay, if we have to charge for these things, what are the limits? And I think at the time the limit was \$50 that you could give to somebody.³³

COUNSEL: How did you come up with that figure, \$49, as opposed to \$1,000?

MR. PIETRAFESA: Because the – at Savannah, you have the lodge and the barn. The lodge was the thing that was being built when I first joined, and it was built really as a house for the Congel family. As I said, we started using it more and more for business. So Bob decided to build the barn. And the barn was built with – the lodge is, you know, kind of opulent bedrooms, and there is only about eight of them. It is really nice.

The barn was built to accommodate a lot of people. So that they are big rooms with bunk beds, and huge conference area, conference kitchen, you know, a kitchen that could serve a meal for 350 and so forth. So when that was being built, we checked with [DestiNY's counsel] and said, you know, if we have to charge for this, you know, what is the – for Members or staffer, or anything....

So we checked with – I'm trying to remember, Bill Buchie, who was at the time the accountant for all this stuff, and said Bill, how can you – can we – is \$50 or \$49, you know, a number that is legitimate for a stay at the barn?³⁴

In addition to the valuations for lodging, Savannah Dhu developed a rate schedule for hunting trips, valued differently based on the type of game hunted or harvested. For example, a duck hunt, including a guide and dog, cost \$200 in 2007.³⁵ For larger, trophy game, Savannah Dhu charged hunters based on the size of the animal harvested – the charge could range from \$2,500 to \$9,000 for a bull elk, and \$3,200 to \$15,000 for a white-tailed deer.³⁶

Savannah Dhu also used outside vendors for taxidermy and butchering; those vendors billed separately for their services.³⁷ Initially, Savannah Dhu or DestiNY would cover the cost

³³ ISC Interview of Richard Pietrafesa.

³⁴ *Id.*

³⁵ Exhibit 8.

³⁶ *Id.*

³⁷ Exhibit 9.

of taxidermy services if a guest had failed to pay,³⁸ but Savannah Dhu's regulations as of 2005 specifically required political guests to pay for their own taxidermy.³⁹

1. 2003 Campaign Trip

Representative Young traveled to Savannah Dhu for the first time on October 23, 2003.⁴⁰ Travel records indicate that he traveled with his wife, his Chief of Staff Michael Anderson, C.J. Zane, and a number of third parties, by private jet operated by Precision Jet Management,⁴¹ a company owned by Mr. Congel's son.⁴² He arrived in Syracuse at approximately 11:00 AM, and traveled to Savannah Dhu.⁴³ The next day, Representative Young attended a fundraising event at Savannah Dhu with Representatives James Gerlach, Rick Renzi, and Mike Rogers (AL), to benefit their campaigns.⁴⁴ While at Savannah Dhu, Representative Young hunted for elk with Mr. Congel and others, and harvested a large bull elk. While Savannah Dhu would eventually value the taking of such a large elk of this size at up to \$7,000, at the time, Savannah Dhu did not itemize the harvesting of individual game for its hunters, but rather included them in its general fees. Representative Young paid those fees with campaign funds, as a part of the fundraiser held on the 24th, to cover lodging, food, and all expenses related to the event.⁴⁵ He departed Savannah Dhu on October 25, 2003, via the same private aircraft, for which the campaign also paid.⁴⁶

Palmer's Taxidermy, a taxidermist in Rome, New York, mounted the head and antlers of Representative Young's harvested elk. Palmer's sent an invoice for \$1,000 to Savannah Dhu, and DestiNY apparently paid the expense.⁴⁷ Representative Young, in his submission to the Committee, believed that the taxidermy fees were included in the usage of Savannah Dhu.⁴⁸

³⁸ ISC Interview of Dorothy Scicchitano.

³⁹ Exhibit 9.

⁴⁰ Exhibit 10.

⁴¹ *Id.*

⁴² ISC Interview of Dorothy Scicchitano.

⁴³ Exhibit 10.

⁴⁴ *Id.*

⁴⁵ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁴⁶ *Id.*

⁴⁷ Exhibit 11.

⁴⁸ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

2. 2004 “Personal Hospitality” Trip

Representative Young traveled to Savannah Dhu again on November 11, 2004.⁴⁹ Again, he traveled in Scott Congel’s private aircraft to Syracuse, with his wife and Mr. Zane. Representative Young and Mr. Zane took a helicopter to Savannah Dhu with Mr. Congel;⁵⁰ the helicopter also toured the DestiNY site and surrounding infrastructure.⁵¹

MR. PIETRAFESA: So this was really the fact-finding visit. This was – we had – by this time we had gotten him up to speed on the DestiNY Project, the 81 initiative, the rail system, the light rail that we were proposing for the city, and this was when he was going to come up and really view all of that and have a better understanding, get a better understanding of what that might entail and what it would mean....

I know this sounds like a big deal with the helicopter, but the helicopter was critical, because when you lift off from DestiNY, you look down and you see the Regional Transportation Center, you look to the right, and you see the airport, you have the two crossroads there and the Erie Canal goes through. So all those transportation – all that infrastructure is there. You can see it all at about 500 feet. And we really wanted him to see how all that came together and how we hoped to enhance it.⁵²

After the helicopter tour, Representative Young stayed at Savannah Dhu for the next three nights, until November 14, 2004.⁵³ Representative Young, in his contemporaneous travel records and in his submission to the Committee, referred to activities at Savannah Dhu related to a “Transportation Summit.”⁵⁴ He stated that he “was briefed both formally and informally on various DestiNY transportation projects. Planned transportation meetings took place for several hours each day for two days.”⁵⁵ When interviewed by the ISC, witnesses present during that meeting agreed that the focus of the trip was DestiNY:

MR. PIETRAFESA: I just want to clarify, when you say, did you discuss DestiNY with [Representative Young], we always discussed DestiNY business. I mean, that is all we ever talked about. So we could be talking about our families, and we would

⁴⁹ Exhibit 12 at 4.

⁵⁰ Exhibit 12.

⁵¹ ISC Interview of Richard Pietrafesa.

⁵² *Id.*

⁵³ Exhibit 12.

⁵⁴ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁵⁵ *Id.*

ultimately try and get that around to the project and what it meant and why we were doing it and all that.⁵⁶

Nevertheless, Representative Young admitted in his submission to the Committee that, in addition to conducting official business, he also “hunted during the weekend.”⁵⁷

Representative Young’s campaign paid for his transportation to and from Syracuse. All other expenses – including lodging, food, the helicopter tour, and hunting activities – were absorbed by one or more of Mr. Congel’s companies. Records are unclear as to precisely which company – Pyramid, DestiNY, or Savannah Dhu itself – paid for what expenses.

3. *2005 and 2006 “Charitable Obligation” Trips – The Alaska SeaLife Center*

The Alaska SeaLife Center is an aquarium and marine mammal rehabilitation facility in Seward, Alaska, founded in 1990, and constructed in 1998.⁵⁸ Original funding derived primarily from the Exxon Valdez Oil Spill Settlement Fund, but the Center continues to seek funding for its ongoing operations. One source of that funding has been a charity event that Representative Young held each year in Seward, that included fishing, a dinner, and a charity auction.⁵⁹ The charity event often coincided with events supporting Representative Young’s political action committee (PAC), the Midnight Sun PAC.⁶⁰ On several occasions, Mr. Congel attended the SeaLife Center charity events, and in 2004, he donated trips to Savannah Dhu to be auctioned off for the benefit of the SeaLife Center.⁶¹ The original package that Mr. Congel donated advertised a two night stay in the Pines Lodge at Savannah Dhu, with all meals included, and hunting and fishing activities during the day.⁶² When the package was set for auction, however, the auctioneer modified the package to “include” Representative Young’s attendance on the trip, and to auction a second trip on the same lines as the first, also including Representative Young’s “presence”:

During the bidding process, these weekends were bid up to high dollar amounts very passionately and very quickly. Towards the end of the bid, a question was put towards Congressman Young by the auctioneer in front of the entire 150+ audience. The auctioneer openly asked the Congressman if he and his wife would include themselves as a part of these weekends. The goal of including the

⁵⁶ ISC Interview of Richard Pietrafesa.

⁵⁷ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁵⁸ Alaska SeaLife Center, <http://www.alaskasealife.org/New/about-ASLC/index.php?page=history.php> (last visited April 29, 2014).

⁵⁹ ISC Interview of Michael Anderson.

⁶⁰ *Id.*; Exhibit 13.

⁶¹ Exhibit 14 at 2; Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁶² Exhibit 14 at 2.

Youngs was to push the bid even higher. The Congressman looked to Mr. Robert Congel for his approval and, upon receiving apparent agreement from Mr. Congel, the Congressman openly agreed to add himself and his wife Lu to the terms of the weekend.⁶³

In the end, the Youngs attended two trips that Mr. Congel had donated to the SeaLife Center, along with the winners of the auctions. From November 10 through 13, 2005, Representative Young and his wife stayed at Savannah Dhu with Randy DeLay (a consultant from Texas, who had purchased the trip at auction), Martin Whitmer (a consultant from Washington, DC), and Bruce Stanski (an executive with KBR Corporation), along with their spouses.⁶⁴ All guests traveled to and from the Syracuse area on a private Precision jet, and hunted each day.⁶⁵ Mr. Congel paid all expenses for every guest, including the Youngs. Similarly, from November 10 through 13, 2006, Representative Young and Mrs. Young stayed at Savannah Dhu with Karen Johnson, Rhett Hard, and Jack and Debbie Albert, all of whom won the trips at auction.⁶⁶ Unlike the 2005 trip, Representative Young and Mrs. Young traveled to Syracuse via commercial jet;⁶⁷ Representative Young's campaign paid for their air travel.⁶⁸

4. 2007 Campaign Trip

From November 1 through November 5, 2007, Representative Young, his wife, and Jimmy Adams, a staffer in Representative Young's office, traveled to Savannah Dhu as a part of a campaign event, where donors paid to hunt with Representative Young.⁶⁹ The campaign paid for the expenses of that trip, which amounted to \$3,093.⁷⁰

C. Mariposa Ranch

Mariposa Ranch is a hunting and lodging facility in Falfurrias, Texas, legally owned and operated by SK Corporation.⁷¹ As a practical matter, SK Corporation and Mariposa Ranch were assets of the Sullivan family, who operated the ranch on behalf of business clients such as KBR and Willbros Group:

⁶³ Exhibit 15.

⁶⁴ Exhibit 16.

⁶⁵ *Id.*

⁶⁶ Exhibit 17.

⁶⁷ *Id.*

⁶⁸ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁶⁹ Winners of an auction for the Alaska SeaLife Center also attended this trip.

⁷⁰ Exhibit 18.

⁷¹ Exhibits 19, 20.

RANDY HARL: [T]he owner of the Mariposa Ranch, Dan Sullivan, V – his family actually owns the ranch – Danny wanted to get into the outfitting business. And so he approached Brown & Root with a proposition to become the anchor tenant with regard to his operation....⁷²

BRUCE STANSKI: For a long time – well, if I go way back in time, Brown & Root was the exclusive user of Mariposa. It wasn't owned by Brown & Root. It was owned by a family, and they leased it all year, but then long before I ever got involved intimately with it, it became – Brown & Root started using less and less dates and the family started leasing it out to other people, so it is a general – you could call today and get a date at Mariposa just like anybody.⁷³

Mariposa Ranch offers hunting on 45,000 acres of land, also used for cattle ranching, south of Corpus Christi, Texas. Quail hunting has historically been a popular activity at Mariposa Ranch, as the wild quail population there was more substantial than in other parts of the United States.⁷⁴ The ranch also manages a population of trophy-quality white-tailed deer, wild turkey, nilgai, feral hogs, and javelina.⁷⁵ A witness who attended a hunt at Mariposa Ranch with Representative Young explained the process for a nilgai hunt:

MR. STANSKI: [H]ow it's arranged is that it's a 4-door pickup truck, and you have a guide who's driving you around, and these things are very skittish animals and they know sound and the look of the trucks, so the minute they see you they start running.

So the person who's to kill the animal sits in the front seat with the guide, and then the partner sits in the back seat. Now, in that back seat, you have a gun, too, you know, just in case, whatever. And so you drive around and then you see one, the guide stops and says, 'okay, there you go, try to shoot it,' and [you] hop out and try to shoot the animal.⁷⁶

Currently, there are four lodges on the Mariposa Ranch property;⁷⁷ guests interviewed by the ISC described the lodging as "rustic."⁷⁸ The lodge provides food and hunting guides for its

⁷² ISC Interview of Randy Harl.

⁷³ ISC Interview of Bruce Stanski.

⁷⁴ ISC Interview of Randy Harl.

⁷⁵ *Id.*

⁷⁶ ISC Interview of Bruce Stanski.

⁷⁷ Mariposa Ranch, <http://www.mariposaranch.net/> (last visited April 29, 2014).

guests at a flat rate determined by the animal hunted: for example, in 2006, Mariposa Ranch charged \$3,500 per hunter on a deer and quail hunt, which included a three-night stay, food, guides, and use of the facilities, plus a \$3,000 daily charge for the use of a “quail rig,” a specialized vehicle that transports both hunter and dog to the hunt site.⁷⁹ This price did not include the cost of hunting licenses.⁸⁰ Mariposa also charged hunters an additional amount if they happened to harvest game in addition to that which they intended to hunt; if a hunter on a deer and quail hunt happened to kill a nilgai, for example, he would be charged an additional \$800.⁸¹ If a group chose not to engage in a package hunt, SK Corporation would bill a flat fee for lodging and food and bill extras at the conclusion of the hunt.⁸² Mariposa Ranch had arrangements with outside taxidermists and butchers for the processing of harvested game after a hunt; successful hunters wishing to use these services were billed separately.⁸³

I. 2005 KBR Transportation Summit

From April 15 through 17, 2005, Representative Young, Mr. Anderson, and Graham Hill (who was, at the time, serving as Counsel to the House Transportation and Infrastructure Committee), attended a meeting at Mariposa Ranch with Randy DeLay, Bruce Stanski, William Bodie (KBR’s Vice President for Communications), Amadeo Saenz (the Deputy Director of the Texas Department of Transportation), Roy de los Santos and Nino Gutierrez (both officials with the Port of Brownsville).⁸⁴

Representative Young traveled to and from Falfurrias via private aircraft, paid for by his principal campaign fund.⁸⁵ SK Corporation invoiced KBR for incremental costs associated with the trip, above and beyond the terms of KBR’s lease, which amounted to approximately \$500 per attendee.⁸⁶

The evidence is unclear as to precisely what activities took place: Representative Young explained in his submission to DOJ that the weekend included fact finding meetings pertaining to “several issues, including the transportation bill that was pending before the House at the time and the I-69 and FM 511 Truck Connector.”⁸⁷ A KBR form documenting the use of Mariposa Ranch described the weekend as “[d]iscussions with Chairman Don Young to understand his

⁷⁸ ISC Interview of Bruce Stanski.

⁷⁹ Exhibit 21.

⁸⁰ Exhibit 22 at 4.

⁸¹ *Id.* at 4.

⁸² Exhibit 23.

⁸³ Exhibit 24; Mariposa Ranch, <http://www.mariposaranch.net/> (last visited April 29, 2014).

⁸⁴ Exhibit 25.

⁸⁵ Exhibit 26.

⁸⁶ Exhibit 23.

⁸⁷ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

mission and direction as Chairman of Transportation and Infrastructure Committee and how KBR can support needs of his constituency and the public for future infrastructure and transportation projects.”⁸⁸

2. 2006 KBR “Campaign” Trip

Representative Young traveled to Mariposa Ranch again from January 3 through 6, 2006. Mrs. Young also attended this weekend, with Christian Barnes, a staffer from Representative Young’s office.⁸⁹ Again, Mr. DeLay and Mr. Stanski traveled to the ranch, along with Richard Graves (a KBR Vice President), James Thompson (an executive with Thompson & Litton), Christopher Turner (an executive from Unisys), James Walker (a consultant) and Art Nelson (an official with the Forestry Commission of Alaska, and Representative Young’s son-in-law).⁹⁰

Again, Representative Young used campaign funds to pay for his travel, as well as that of his wife, to and from Falfurrias via private aircraft.⁹¹ The hunts scheduled for this trip appear to have been more extensive than those associated with the 2005 trip. An invoice prior to the weekend indicates that the hunt, a “combo deer/quail hunt,” cost \$40,000: \$3,500 for each of the eight hunters, and \$12,000 for two days’ rental of two “quail rigs.”⁹² The invoice indicates that KBR paid these costs.⁹³ In addition to the \$40,000 deer and quail hunt costs, SK Corporation sent a separate invoice to KBR pertaining specifically to Representative Young, Mrs. Young, and Mr. Nelson, detailing a \$500 “non-hunter” charge for Mrs. Young, two nilgai bull hunt charges for Representative Young and Mr. Nelson, and four hunting licenses, for a total of \$3,321.⁹⁴ Eventually, Representative Young sent a personal check to SK Corporation for \$1,607 (covering Mrs. Young’s “non-hunter” fee, as well as his own nilgai hunt and his own hunting license),⁹⁵ but a review of bank records indicates that the check was never cashed.⁹⁶

Representative Young, in his submission to DOJ, claimed that this trip was a campaign fundraiser.⁹⁷ At least one email, from Mr. DeLay to Steven Dougherty (Representative Young’s campaign manager), referenced campaign activity, by including a draft invitation of a planned fundraising event at Mariposa Ranch on January 5, 2006.⁹⁸ The invitation suggested a \$1,000

⁸⁸ Exhibit 25.

⁸⁹ Exhibit 28.

⁹⁰ *Id.*

⁹¹ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁹² Exhibit 21.

⁹³ *Id.*

⁹⁴ Exhibit 22 at 3.

⁹⁵ *Id.* at 2-3.

⁹⁶ Exhibit 29.

⁹⁷ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

⁹⁸ Exhibit 30.

donation.⁹⁹ The FEC databases do not list any contributions from the individuals listed as having attended this trip to Representative Young's campaign that conform, in either date or amount, to the suggested contribution for this trip.

Reports from Representative Young's campaign to the FEC indicate three disbursements to KBR related to this trip, in the amounts of \$3,459.60, \$2,479.80, and \$1,500.¹⁰⁰ These disbursements appear to correspond to air travel and lodging expenses,¹⁰¹ but not any portion of the \$40,000 deer-and-quail hunt costs paid by KBR.

3. 2007 Willbros "Campaign" Trip

Representative Young traveled to Mariposa Ranch a third time, from February 23 through 26, 2007. Mr. DeLay organized the trip along with a number of Willbros employees: Randy Harl (Willbros' President), John Allcorn (Willbros' head of sales), Curt Simkin (Willbros' head of engineering), and Alan Owens (an executive in Willbros' pipeline construction division). Also present was Mr. Harl's son Robert, as well as Chris Helms, the CEO of MySource.¹⁰² Every attendee save Representative Young and Mr. DeLay departed Mariposa Ranch on February 25, 2007, while Representative Young and Mr. DeLay stayed on for an additional day of hunting.¹⁰³ Representative Solomon Ortiz was expected to attend,¹⁰⁴ but did not.¹⁰⁵

Representative Young traveled via commercial aircraft to and from Corpus Christi.¹⁰⁶ FEC Reports indicate that Representative Young's campaign paid this airfare.¹⁰⁷ While at the ranch, Representative Young hunted a variety of game, and harvested a female nilgai.¹⁰⁸ SK Corporation submitted an initial invoice to Willbros in advance of the hunt for \$28,000.¹⁰⁹ After

⁹⁹ *Id.*

¹⁰⁰ Exhibit 31.

¹⁰¹ Exhibit 32.

¹⁰² Exhibit 20; ISC Interview of Randy Harl.

¹⁰³ Exhibit 20; ISC Interview of Randy Harl.

¹⁰⁴ Exhibit 33, 34.

¹⁰⁵ ISC Interview of Randy Harl at 19.

¹⁰⁶ Exhibit 33.

¹⁰⁷ Exhibit 35.

¹⁰⁸ Exhibit 20.

¹⁰⁹ Exhibit 19.

the hunt, SK invoiced Willbros for additional incidental costs of \$6,625, including the extra day for Representative Young and Mr. DeLay, and Representative Young's harvested nilgai.¹¹⁰

Representative Young, in his submission to DOJ, claimed that there had been a campaign fundraiser scheduled for this weekend to include both himself and Representative Ortiz.¹¹¹ Representative Young admitted that his campaign had not paid any of the lodging, food, or incidental expenses related to this trip because his campaign had not been invoiced for those costs by any party.¹¹² Attendees of the trip dispute the suggestion that there had been a fundraiser:

COUNSEL: [D]o you recall whether this trip was also set up as a campaign fundraiser hunt for Representative Young?

MR. HARL: It was not.¹¹³

COUNSEL: To your knowledge did Representative Young participate in any campaign activities that were not – during that timeframe that were not on Mariposa Ranch?

MR. HARL: No. I don't recall him leaving the ranch while I was there. And I did not witness him, you know, doing anything that you would construe as campaign-related activities.¹¹⁴

D. Chama Lodge

The Lodge and Ranch at Chama is a 36,000-acre game preserve in Chama, New Mexico, owned by the Jicarilla Apache Nation.¹¹⁵ The lodge, on site, can accommodate 42 people and provides all-inclusive lodging for \$275 per person per day, including meals, bar charges, and use of the spa. Activities such as fishing, hiking, sporting clays, and a variety of tours can be added for \$300. Hunting charges vary based on the type of game, and can cost up to \$25,000 for a "premier" trophy elk.¹¹⁶

¹¹⁰ Exhibit 20.

¹¹¹ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

¹¹² *Id.*

¹¹³ ISC Interview of Randy Harl.

¹¹⁴ *Id.*

¹¹⁵ The Lodge at Chama, <http://www.lodgeatchama.com/sitedocs/ranch/ranch.html> (last visited April 29, 2014). The ISC requested information from the Jicarilla Apache Nation, but the tribe did not cooperate with the investigation.

¹¹⁶ *Id.*

1. 2005 Fact-Finding and “Campaign” Trip

Representative Young, his wife, and Mr. Anderson traveled to Chama Lodge from October 11 through 16, 2005.¹¹⁷ Initially, the trip had two purposes: attending a fact-finding dinner with leaders of the Jicarilla Apache Nation on October 12, 2005, and attending a joint fundraiser with former Representative Heather Wilson on October 13, 2005.¹¹⁸ The fundraiser with Representative Wilson never took place. Representative Young and Mr. Anderson believed that the fundraiser was cancelled after they had already arrived in New Mexico.¹¹⁹ Representative Wilson, however, could not recall how much notice her campaign gave Representative Young that the event was cancelled, but that usually such a cancellation would have occurred a week in advance.¹²⁰ Representative Young’s travel itinerary does not have any official or campaign events for the 14th or 15th of October.¹²¹

Representative Young’s campaign paid for travel to Farmington, New Mexico, via private aircraft, and for a rental car for the duration of the trip.¹²² The rental car cost \$109.83 per day.¹²³ The campaign also paid the Lodge at Chama \$4,089.84 on November 9, 2005.¹²⁴ If this payment covered the meals and lodging for Representative Young, Mrs. Young, and Mr. Anderson for the duration of their stay in Chama, then the Lodge charged them \$272.66 per person per night. Representative Young and Mr. Anderson hunted during the trip; the ISC did not discover evidence of payments by Representative Young’s campaign or by any third party to cover the expenses of such a hunt, and Mr. Anderson testified that each of them paid their own hunting expenses personally.¹²⁵

E. Kodiak Sportsman’s Lodge

Kodiak Sportsman’s Lodge is a fishing and hunting facility in Old Harbor, Alaska. The lodge, on Kodiak Island, can accommodate 16 guests.¹²⁶ The lodge operates four fishing boats in the harbor area from May to September, and guests spend up to 8 hours a day fishing for king

¹¹⁷ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

¹¹⁸ *Id.*

¹¹⁹ *Id.*; ISC Interview of Michael Anderson.

¹²⁰ ISC Interview of former Representative Heather Wilson.

¹²¹ Exhibit 36.

¹²² Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010) at 28.

¹²³ Exhibit 37.

¹²⁴ Exhibit 38.

¹²⁵ ISC Interview of Michael Anderson.

¹²⁶ Kodiak Sportsman’s Lodge, <http://www.kodiaksportsmanslodge.com/lodging-and-accommodations/> (last visited April 29, 2014).

salmon and other species of trophy fish. Kodiak Sportsman's Lodge also offers sitka black tail deer hunting in the winter.

Fishing packages at the lodge are priced to include air and ground transportation from Anchorage, Alaska, lodging, meals, fishing equipment, and guides.¹²⁷ In 2008, for example, three days of fishing and three nights of lodging at Kodiak Sportsman's Lodge cost \$2,800 per person.¹²⁸ Fishing licenses were billed separately, at a cost of \$50 per person.¹²⁹

1. 2006 and 2008 "Charitable Obligation" Trips

Representative Young traveled to Kodiak Sportsman's Lodge from May 29 through June 1, 2006, and again on May 23 through 26, 2008. David Sandlin, the owner of the Lodge, donated both trips for auction during the annual SeaLife Center events in 2005 and 2007.¹³⁰ Neither of the trips advertised Representative Young's attendance on the trips.¹³¹ The package did not advertise a value, but appear to roughly correspond with the four day fishing trip discussed generally above.

In a letter to the Committee, Representative Young argued that, like his attendance on trips donated by Mr. Congel to Savannah Dhu, he was permitted to accept the trips to Kodiak Sportsman's Lodge as a part of his "charitable obligation."¹³²

F. Las Pitas Camp

Las Pitas Camp is a facility previously owned by Rowan Company on land it leased from the Cage Ranch in Falfurrias, Texas.¹³³ Pursuant to the terms of that lease, persons using the Las Pitas Camp had exclusive rights to hunt deer and quail on a part of the ranch.¹³⁴ Rowan Company used the facility for company business:

ROBERT PALMER: [E]verything was 100 percent business related. In order to get permission to go down and use the camp, there were three of us that signed off and gave authorization for them to attend.¹³⁵

¹²⁷ *Id.*

¹²⁸ Exhibit 39 at 3.

¹²⁹ *Id.*

¹³⁰ Exhibit 40; For more information on these events *see infra* Part III.A.3.

¹³¹ Exhibit 40.

¹³² Letter from John M. Dowd to Representative Patrick Meehan and Representative Michael E. Capuano (March 12, 2014).

¹³³ ISC Interview of Daniel McNease; ISC Interview of Robert Palmer.

¹³⁴ ISC Interview of Daniel McNease; ISC Interview of Robert Palmer.

¹³⁵ ISC Interview of Robert Palmer.

DANIEL MCNEASE: Well, it had to be someone in our industry, or someone that was working in the energy business, or someone who was familiar with our business so that, you know, ideas and things could be exchanged at that hunting camp. And it was also a place that you could meet, and get better acquainted with individuals and, you know, learn about different individuals. But the main thing was exchange of knowledge.¹³⁶

Rowan Company did not operate a commercial outfitting business at Las Pitass Camp, and its hunting lease specified a flat rate structure, meaning that there was no incremental cost for how many times it used the camp or how much game it harvested.¹³⁷ The only variable costs for the use of the camp were food, beverage, and hunting licensure expenses for each trip, and Rowan Companies handled those expenses as it would any other expense of its type – reimbursing payments that were business related, and requiring personal payment when they were not, such as when family members attended a trip.¹³⁸

Representative Young attended an annual event at Las Pitass Camp known as the Alaska Energy Conference in 2001-2004 and in 2006. Rowan Company hosted the event annually from the late 1970s through the middle of the last decade.¹³⁹ Rowan, principally at the direction of Mr. Palmer, invited a number of public officials and industry professionals with connections to Alaska to a three day event that included hunting, meals, and a discussion of issues facing the energy industry in Alaska.¹⁴⁰ Rowan Company apparently did not bill any conference attendees for any costs of the conference, unless a guest harvested game and sought taxidermy.¹⁴¹ Rowan executives interviewed by the ISC could not recall an instance in which Rowan had arranged for taxidermy services for Representative Young in this fashion. However, Representative Young provided copies of invoices and corresponding checks in satisfaction of those invoices for various taxidermy services he received in 2001, 2003, and 2004 that appear to be related to his time spent at Las Pitass Camp.¹⁴²

G. Robert Palmer's Ranch

Robert Palmer is the Chairman Emeritus of Rowan Company. He met Representative Young in the 1970s, when he was serving as CEO of Rowan, in the course of the company's

¹³⁶ ISC Interview of Daniel McNease.

¹³⁷ ISC Interview of Robert Palmer.

¹³⁸ *Id.*

¹³⁹ *Id.*

¹⁴⁰ *Id.*

¹⁴¹ *Id.*

¹⁴² Exhibit 41.

aviation and drilling business in Alaska.¹⁴³ Through the ensuing decades, Mr. Palmer and Representative Young interacted sporadically, in the context of Rowan's business in Alaska, Mr. Palmer's work with the National Ocean Industries Association in Washington, DC, and personal friendship.¹⁴⁴

Mr. Palmer and his wife purchased a ranch near Las Pitias Camp in 1981.¹⁴⁵ Mr. Palmer does not rent the ranch to third parties and has exclusive hunting rights on the land, where he and his guests can hunt deer and quail.¹⁴⁶

1. 2007 Personal Hospitality Trip

In 2007, Rowan was planning its annual Alaska Energy Conference. Mr. Palmer, who had retired from Rowan, continued to organize the Conference in his role as Chairman Emeritus.¹⁴⁷ Mr. McNease, in his role as the new CEO, decided that Rowan would not permit Representative Young to travel to Las Pitias, in response to a subpoena that Rowan had received from DOJ.¹⁴⁸ In response, Mr. Palmer did not attend the Conference, and instead invited Representative Young to travel to his personal ranch for the same period of time.¹⁴⁹ Mr. Palmer discussed no business with Representative Young.¹⁵⁰

H. Tom Johnson's "Spring Mountain" Ranch

Tom Johnson is the Executive Vice President of the Associated General Contractors of Texas (AGCTX), a trade association that represents Texas firms in the engineering construction industry.¹⁵¹ Mr. Johnson met Representative Young in 2001 during the Alaska SeaLife Center and Midnight Sun PAC events held in Seward, Alaska.¹⁵² Mr. Johnson, an avid hunter and fisherman, decided to attend the event after hearing about it from Colin Chapman, Representative Young's former Chief of Staff.¹⁵³ After attending the event, Mr. Johnson struck up a friendship with Representative Young; the two would share holiday greetings and spend

¹⁴³ ISC Interview of Robert Palmer.

¹⁴⁴ *Id.*

¹⁴⁵ *Id.*

¹⁴⁶ *Id.*

¹⁴⁷ Exhibit 42.

¹⁴⁸ Exhibit 43.

¹⁴⁹ ISC Interview of Robert Palmer.

¹⁵⁰ *Id.*

¹⁵¹ ISC Interview of Tom Johnson.

¹⁵² *Id.*

¹⁵³ *Id.*

time together on hunting events in Alaska, as well as on Representative Young's visits to Austin, Texas, for fundraising.¹⁵⁴

Mr. Johnson owns a ranch in West Texas.¹⁵⁵ The ranch contains a population of wild game, including mule deer, javelina, aoudad sheep, and blue quail.¹⁵⁶ The ranch is not leased commercially, and there is no outfitting business whereby members of the public could pay for guided hunts on the ranch property. Rather, the ranch is used exclusively by Mr. Johnson and his family.

1. *2001, 2004, and 2005 Personal Hospitality Trips*

Representative Young traveled to Mr. Johnson's ranch from December 7 through 10, 2001,¹⁵⁷ December 3 through 6, 2004, and December 2 through 4, 2005.¹⁵⁸ These trips coincided with a campaign event in Austin, Texas, held at the home of Karen Johnson, Mr. Johnson's daughter.¹⁵⁹ Representative Young traveled via private aircraft from Austin to Mr. Johnson's ranch and back, and Mr. Johnson hunted with Representative Young for the duration of the trip.¹⁶⁰ Mr. Johnson testified that the two did not discuss any business during the trips.¹⁶¹ The ISC did not discover any evidence that any entity other than Mr. Johnson covered any expenses of the trips.

2. *2013 "Personal Hospitality" Trip*

In a similar fashion, Representative Young traveled to Mr. Johnson's ranch from February 15 through 18, 2013. However, for this far more recent trip, the ISC was able to obtain evidence demonstrating that Mr. Johnson submitted some of his expenses for reimbursement to AGCTX: \$230.65 for food, \$137.42 for fuel, and \$1,200 for a deposit on taxidermy (which Representative Young later repaid).¹⁶²

I. John Weisman's Ranch

John Weisman, a contractor and member of AGCTX, owned a ranch in Uvalde, Texas, known as the Flying W Ranch.¹⁶³ The ranch is used exclusively by Mr. Weisman and his guests,

¹⁵⁴ *Id.*

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ Exhibit 41 at 3-5.

¹⁵⁸ Exhibits 44, 45.

¹⁵⁹ Exhibits 44, 45.

¹⁶⁰ ISC Interview of Tom Johnson.

¹⁶¹ *Id.*

¹⁶² Exhibits 46, 47; ISC Interview of Tom Johnson.

¹⁶³ ISC Interview of Tom Johnson.

and is not available for commercial or public purposes.¹⁶⁴ The ranch has a population of white-tailed deer and wild turkey.¹⁶⁵

I. Personal Hospitality Trips, 2002-2003

Representative Young traveled to the Flying W Ranch from December 6 through 8, 2002 and December 5 through 8, 2003.¹⁶⁶ Mr. Johnson also stayed at the ranch for these trips, and Colin Chapman, Representative Young's former Chief of Staff, traveled with Representative Young in 2003.¹⁶⁷ Mr. Johnson testified that the men socialized and hunted, and did not discuss business.¹⁶⁸ The ISC did not discover evidence suggesting that any third party, other than Mr. Weisman, paid for any expense of either trip.

J. Bob Malone's Ranch

Robert Malone, a retired former executive with BP, met Representative Young over 15 years ago when he worked on BP's business in Alaska.¹⁶⁹ After meeting Representative Young, the two men struck up a friendship, and socialized in Alaska and Washington, DC.¹⁷⁰

Mr. Malone and his family own a ranch in Ozona, Texas. He does not operate a commercial outfitting business, and the ranch is for his personal use. Representative Young traveled to Mr. Malone's ranch with Mr. Malone in 2001. While there, Representative Young socialized with Mr. Malone and his family.¹⁷¹

K. Grande Ronde Lodge

Grande Ronde Lodge is a recreational property on the Grande Ronde River in Northeastern Oregon, owned by Michael and Pat Burns, who also own a fishing company with operations in Alaska known as Blue North Fisheries.¹⁷² The property comprises approximately 8,000 deeded acres, and houses a cattle ranch, as well as a main lodge and other buildings.¹⁷³ The Burns brothers considered establishing an outfitting business to "run rafting trips and

¹⁶⁴ *Id.*

¹⁶⁵ *Id.*

¹⁶⁶ Exhibits 48, 49.

¹⁶⁷ Exhibit 48.

¹⁶⁸ ISC Interview of Tom Johnson.

¹⁶⁹ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

¹⁷⁰ *Id.*

¹⁷¹ *Id.*

¹⁷² ISC Interview of Michael Burns.

¹⁷³ *Id.*

wilderness hunting trips,” but the business was never fully established.¹⁷⁴ Only the Burns brothers are entitled to invite guests to the Lodge.¹⁷⁵ The property is home to a variety of wild game – mountain lions, elk, deer, and birds.¹⁷⁶

Michael Burns invited Representative Young to stay at the Lodge after the two became acquainted through Mr. Burns’ fishery business.¹⁷⁷ Representative Young stayed at Grande Ronde Lodge from October 21 through 24, 2005.¹⁷⁸ He was accompanied by Mrs. Young, Robert Congel (who had attended the same high school as Mr. Burns), and Michael Lorenz.¹⁷⁹ While at the lodge, the guests and the Burns brothers engaged in hunting activities; when interviewed by the ISC, Mr. Burns recalled specifically that no campaign activity took place at the Lodge, and could not recall discussing any business with Representative Young.¹⁸⁰ Representative Young flew from Portland – where he had attended a campaign fundraiser – to Grande Ronde on Mr. Congel’s private aircraft.¹⁸¹

L. Non-Travel Gifts

The ISC reviewed Representative Young’s receipt of several other gifts between 2003 and 2007.

In 2004, Duncan Smith, a lobbyist for Blank Rome, LLP provided Representative Young several gifts of meals. In his submission to the Committee, Representative Young asked the Committee to review these gifts and provided documents regarding the value and source of the gifts.¹⁸² In 2004, Mr. Smith provided Representative Young four meals totaling \$305.77. Mr. Smith submitted the expenses for reimbursement from his lobbying firm.¹⁸³ Of those meals, only one meal was valued at less than \$50; the three other meals were all in excess of \$50.¹⁸⁴

Representative Young also asked the Committee to review certain gifts of meals and rounds of golf he received from C.J. Zane. In 2005, Mr. Zane provided Representative Young two meals and two rounds of golf totaling \$161.43 in value.¹⁸⁵ Mr. Zane submitted these

¹⁷⁴ *Id.*

¹⁷⁵ *Id.*

¹⁷⁶ *Id.*

¹⁷⁷ ISC Interview of Michael Burns.

¹⁷⁸ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

¹⁷⁹ ISC Interview of Michael Burns.

¹⁸⁰ *Id.*

¹⁸¹ *Id.*

¹⁸² Letter from Representative Don Young to Representatives Zoe Lofgren and Jo Bonner (April 23, 2010).

¹⁸³ *Id.*

¹⁸⁴ *Id.*

¹⁸⁵ *Id.*

expenses for reimbursement from his lobbying firm. The meals, and one of the rounds of golf, were valued at less than \$50 each. The other round of golf was valued at greater than \$50.¹⁸⁶

Around January 2005, Mr. Congel gave Representative Young a pair of Le Chameau boots and a shoe bag valued at \$434.¹⁸⁷ Some people working for Mr. Congel believed this gift exceeded the value of gifts that Representative Young was permitted to receive from Mr. Congel.¹⁸⁸ After the boots and shoe bag had been delivered to Representative Young, Duncan Smith, a colleague of Mr. Zane's, arranged through Mr. Congel's staff to reimburse Mr. Congel directly for the cost of the boots and the items.¹⁸⁹ In his submission to the Committee, Representative Young asserted that it was permissible for him to receive the gift from Mr. Congel due to "personal friendship" and because he, in good faith, believed the value of the shoes to fall below the threshold for gifts of friendship that must be approved by the Committee and reported on his annual Financial Disclosure Statement.¹⁹⁰ In any event, he stated, he was also permitted to receive a gift from Mr. Smith under the friendship exception to the Gift Rule since Mr. Smith is a former staff member in Representative Young's office and a long-time, personal friend.¹⁹¹ Representative Young did not seek permission from the Committee before accepting this gift.

According to Representative Young, around November 18, 2005, he borrowed a .300 Winchester Magnum rifle from his friend, Tom Johnson.¹⁹² According to Mr. Johnson, a third party had donated the rifle to be sold at an AGCTX scholarship fundraiser auction sponsored by Mr. Johnson, with the intention that the rifle, once auctioned, would remain at the ranch for either Representative Young or anyone else to use while there.¹⁹³ The rifle was purchased at the auction and kept at Mr. Johnson's ranch, as intended. Representative Young subsequently borrowed the rifle, but later returned it to Mr. Johnson, after which Representative Young expressed his interest in purchasing it.¹⁹⁴ Mr. Johnson priced the gun at \$1,500 and instructed Representative Young that he would have to pay that amount directly to the AGCTX scholarship fund if he wished to purchase it.¹⁹⁵ Representative Young then paid \$1,500 to AGCTX for purchase of the rifle.¹⁹⁶

¹⁸⁶ *Id*

¹⁸⁷ Exhibit 13.

¹⁸⁸ ISC Interview of Dorothy Scicchitano; ISC Interview of Richard Pietrafesa.

¹⁸⁹ ISC Interview of Dorothy Scicchitano; ISC Interview of Richard Pietrafesa. Exhibit 50, 51.

¹⁹⁰ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

¹⁹¹ *Id.*

¹⁹² Letter from Representative Don Young to Representative Zoe Lofgren and Representative Jo Bonner (April 23, 2010).

¹⁹³ ISC Interview of Tom Johnson.

¹⁹⁴ *Id.*

¹⁹⁵ *Id.*

In August 2006, Representative Young borrowed a set of golf clubs from his friend, Pete Leathard.¹⁹⁷ Representative Young claims that, at the time, he and Mr. Leathard had been “good personal friends for years.”¹⁹⁸ Representative Young also claims that he reasonably believed the loan of these golf clubs to have a value of approximately \$45.¹⁹⁹

IV. HOUSE RULES, REGULATIONS, AND OTHER STANDARDS OF CONDUCT

The following are laws and rules that are implicated in this matter:

First, House Rule XXIII, clause 1 states that “[a] Member, Delegate, Resident Commissioner, officer or employee of the House shall behave at all times in a manner that shall reflect creditably on the House,” and clause 2 states that “[a] Member, Delegate, Resident Commissioner, officer, or employee of the House shall adhere to the *spirit and the letter* of the Rules of the House....” (emphasis added).

Second, 5 U.S.C. § 7353 provides that “[e]xcept as permitted by [applicable gift rules or regulations], no Member of Congress . . . shall solicit or accept anything of value from a person – (1) seeking official action from . . . the individual’s employing entity; or (2) whose interests may be substantially affected by the performance or nonperformance of the individual’s official duties.”

Third, House Rule XXIII, clause 4 provides that a Member is expressly prohibited from accepting any gift “except as provided by [the House Gift Rule].”²⁰⁰

Fourth, section 5 of the Code of Ethics for Government Service states that “[a]ny person in Government service should . . . 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.” Section 5 of the Code of Ethics for Government Service also prohibits a government official from “discriminat[ing] unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not[.]”

Fifth, House Rule XXIII, clause 6(b) provides that a Member “[m]ay not convert campaign funds to personal use in excess of an amount representing reimbursement for legitimate and verifiable campaign expenditures.”

Sixth, 2 U.S.C. § 439a(b) provides that “[a] contribution or donation . . . shall not be converted by any person to personal use.” “Personal use” is defined in 11 C.F.R. § 113.1(g) as “any use of funds in a campaign account of a present or former candidate to fulfill a

¹⁹⁶ Exhibit 95.

¹⁹⁷ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (April 23, 2010).

¹⁹⁸ *Id.*

¹⁹⁹ *Id.*

²⁰⁰ House Rule XXV, clause 5.

commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign”

Seventh, House Rule XXVI, clause 2 provides that Title I of the Ethics in Government Act (EIGA) of 1978 “shall be considered Rules of the House as they pertain to Members, Delegates, the Resident Commissioner, officers, and employees of the House.” The EIGA, codified at 5 U.S.C. app. 4 § 101 *et. seq.*, provides that Members, officers, and certain staff of the House are required to file an annual Financial Disclosure Statement.

Eighth, 18 U.S.C. § 1001 states that any person in matters before a branch of the government of the United States, including the legislative branch, who “knowingly and willfully – (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact; (2) makes any materially false, fictitious, or fraudulent statement or representation . . .” has committed a felony, punishable by imprisonment.

V. ANALYSIS

A. The Committee's Limitations Rule

The Constitution of the United States vests with the House the authority to “punish its Members for disorderly behavior.”²⁰¹ To implement its Constitutional duty, the House has adopted a Code of Official Conduct (Code of Conduct)²⁰² and has given the Committee exclusive jurisdiction over the interpretation of the Code of Conduct.²⁰³

The Committee is authorized to investigate any alleged violation by a Member or employee of the House “of the Code of Official Conduct or of a law, rule, regulation, or other standard of conduct applicable to the conduct of such Member . . . or employee in the performance of the duties or the discharge of the responsibilities of such individual.”²⁰⁴ The Committee's authority to investigate alleged violations by a Member or House employee extends to alleged violations that occurred in the third previous Congress, *unless* pursuant to House Rule XI, clause 3(b)(3) and Committee Rule 18(d), “a majority of the Committee determines that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.”

On February 26, 2013, the Committee, by unanimous vote, determined that Representative Young's alleged violations of the gift rule and the Financial Disclosure laws prior to January 3, 2007 were directly related to alleged violations that occurred in a more recent congress. The Committee based this determination on the pattern and practice of conduct which existed with respect to trips taken by Representative Young over the course of several years. Of the trips Representative Young initially requested the Committee to review, and the trips referred by DOJ, all of the trips involved travel to hunting lodges or ranches where Representative Young lodged for multiple nights and participated in oftentimes very expensive hunting activities. Not

²⁰¹ U.S. Const., Art. I, sec. 5.

²⁰² House Rule XXIII.

²⁰³ House Rule X, clause 1(g).

²⁰⁴ House Rule XI, clause 3(a)(2).

only did Representative Young travel to these locations prior to the third previous Congress (which in this case would have been before the 110th Congress which began on January 3, 2007), he also traveled to four of the locations both before and after 2007 and to one of the locations as late as the beginning of 2013.

Once the Committee has determined an alleged violation relates to one that has occurred in a more recent Congress, the Committee has the jurisdiction to review matters prior to the third previous Congress. This does not mean the Committee, or the ISC in which the Committee has vested its authority to investigate the matter, must determine that an actual violation has occurred.

Representative Young also accepted several of the gifts in question prior to the third previous – that is the 110th – Congress. The Committee has previously asserted jurisdiction over alleged violations that occurred prior to the third previous Congress when the alleged violations demonstrated a pattern and practice of conduct that extended into more recent Congresses.²⁰⁵ In the precedent most similar to the instant case, *In the Matter of Representative Earl F. Hilliard*, the Committee rejected the respondent’s argument that the Committee was prohibited from investigating certain allegations because they occurred prior to the third previous Congress. The Committee determined that it had jurisdiction over the allegations because the allegations “appear[ed] to continue into more recent Congresses.”²⁰⁶ Following its inquiry, the Committee ultimately adopted a Statement of Alleged Violation finding substantial reason to believe that Representative Hilliard violated applicable House Rules through a pattern and practice of conduct that began prior to the third previous Congress and extended into more recent Congresses.²⁰⁷

In the Matter of Representative Charles B. Rangel, the Committee exercised jurisdiction over certain matters that occurred well before the third previous Congress.²⁰⁸ Following news articles that raised questions about income from property owned in Punta Cana, Dominican Republic, fundraising efforts for a non-profit entity that would bear Representative Rangel’s name, use of rent-controlled apartments in New York, New York, as well as questions about conduct related to other matters, Representative Rangel requested that the Committee initiate an investigation to review his conduct. On September 24, 2008, the Committee voted to empanel an investigative subcommittee (Rangel Subcommittee) to review the matters. Ultimately, the jurisdiction of the Rangel Subcommittee covered allegations of conduct that began significantly before the beginning 2003 - the beginning of the third previous Congress. Specifically, the Rangel Subcommittee investigated Representative Rangel’s failure to report and pay taxes on

²⁰⁵ See *In the Matter of Representative Earl F. Hilliard*, H. Rep. 107-130, 107th Cong. 1st Sess. 92-93 (2001); *In the Matter of Representative James Traficant*, H. Rep. 107-594, 107th Cong. 2nd Sess. 213-14 (2002) (Committee had jurisdiction over conspiracy offenses for which Representative Traficant was convicted when each continued or began after the commencement of the third previous Congress).

²⁰⁶ *Hilliard* at 1024.

²⁰⁷ *Hilliard* at 113-120.

²⁰⁸ *In the Matter of Representative Charles B. Rangel*, H. Rep. 111-661, 111th Cong. 2d Sess. (2010).

rental income on a beach villa he owned in Punta Cana, Dominican Republic, since 1998, his failure to disclose certain income and assets on his Financial Disclosure Statements from 1998 through 2007, and his use of a rent-controlled apartment for his campaign. Ultimately, a Statement of Alleged Violation was issued, and an Adjudicatory Subcommittee found that Representative Rangel's conduct violated House Rules and applicable laws with respect to this conduct and determined that Representative Rangel's conduct "represented an ongoing pattern of behavior" ²⁰⁹

Furthermore, as in the *Rangel* case, Representative Young asked the Committee to review these gifts. Three parties were invested in this investigation – the Department of Justice, Representative Young, and this Committee – and each of these parties played a part in contributing to the length of time required to resolve this matter. The Committee would be irresponsible in not completing the review of this matter given its jurisdiction over it.

B. House Rule XXIII, clauses 1 and 2

In analyzing the relevant substantive rules, the ISC adopted the approach articulated by an ISC in the previous Congress:

The ISC begins from two basic principles. First, Members must at all times act in a manner that reflects creditably upon the House. This standard was created to provide the Committee "the ability to deal with any given act or accumulation of acts which, in the judgment of the [C]ommittee, are severe enough to reflect discredit on the Congress." Clause 1 "encompass[es] violations of law and abuses of one's official position." It is a "purposefully . . . subjective" standard.

Second, the ISC notes the proposition that the Code of Conduct and other standards of conduct governing the ethical behavior of the House community are not criminal statutes to be construed strictly, but rather – under clause 2 of House Rule XXIII – must be read to prohibit violations not only of the letter of the rules, but of the spirit of the rules. Ethical rules governing the conduct of Members were created to assure the public of "the importance of the precedents of decorum and consideration that have evolved in the House over the years." The standard "provide[s] the House with the means to deal with infractions that rise to trouble it without burdening it with defining specific charges that would be difficult to state with precision." The practical effect of Clause 2 is to allow the Committee to construe ethical rules broadly, and prohibit Members, officers and employees of the House from doing indirectly what they would be barred from doing directly. The *Ethics Manual* states that "a narrow technical reading of a

²⁰⁹ *Id.* at 14.

House Rule should not overcome its ‘spirit’ and the intent of the House in adopting that and other rules of conduct.”²¹⁰

C. Rules Pertaining to Travel

The House gift rule, House Rule XXV clause 5, prohibits Members from accepting any gift, unless that gift is subject to an exception to the rule. The House chose this rule of absolute prohibition, and peppered it with exceptions, rather than specifically delineating what gifts might be unacceptable and permitting Members and staff to accept anything else. It developed this preference in response to the fact that “public opinion holds Congress as an institution in low esteem...due to a perception that special interest groups maintain undue influence over the legislative process...”²¹¹ A Senator, when debating the changes to the gift rule in both Houses, expressed concern that lobbyists “are buying access, and access is power.... They buy good will, even if they do not buy access directly. And good will is also power. It can mean the difference between getting your calls returned or your letter taken seriously, and that can translate to millions, even billions of dollars, at the expense of ordinary Americans who have no lobbyists to represent them.”²¹²

The Committee’s guidance confirms that travel expenses are subject to the gift rule:

Except as the House gift rule otherwise provides, such travel expenses are a gift to the Member, officer, or employee. Like any other gift, travel expenses are subject to the basic gift prohibitions noted in the Committee’s guidance on gifts – including the prohibition against soliciting a gift – and they may be accepted only in accordance with the provisions of the gift rule.²¹³

The gift rule, read in conjunction with other rules and laws, provides for acceptable travel expenses from certain sources, for certain purposes. Members generally may accept five types of travel, subject to certain restrictions and conditions provided in the rule. First, a Member may travel in connection with their official duties, when such travel is paid for by the federal government, or by a state or local government. Second, a Member may travel for official or campaign purposes, when such travel is paid for by a campaign fund or other political organization. Third, a Member may accept travel expenses paid for by a foreign government or international organization under certain circumstances proscribed by statute. Fourth, a Member may travel on matters entirely unrelated to official duties, when such travel is paid for by certain private sources, including personal friends. Fifth, a Member may travel in connection with their

²¹⁰ House Comm. on Ethics, *In the Matter of Allegations Relating to Representative Shelley Berkley*, H. Rep. 112-716, 112th Cong. 2d Sess 36-37 (internal citations omitted).

²¹¹ Comm. on Rules, *Amending the Rules of the House of Representatives to Provide for Gift Reform*, H. Rep. 104-337, 104th Cong. 1st Sess. 8 (1995).

²¹² S. 885 – To Modify Congressional Restrictions on Gifts: Hearing Before the Subcomm. on Oversight of the Senate Comm. on Governmental Affairs, 103rd Cong., 1st Sess. 5-6 (statement of Sen. Lautenberg).

²¹³ 2008 *House Ethics Manual* at 87.

official duties, when such travel is paid for by certain private sponsors (this travel is known as privately-sponsored, officially-connected travel).²¹⁴ Because the travel expenses in this matter were predominantly paid either by private third party sources, or by Representative Young's principal campaign fund, this Report focuses on the guidance and precedent related to the second, fourth, and fifth categories listed here.

1. *Paying for Travel with Campaign Funds*

With respect to travel paid for by campaign funds, House Rule XXIII, clause 6 provides that a Member may use campaign funds only for "legitimate and verifiable campaign expenditures" that are attributable to "bona fide campaign or political purposes." Further, the *House Ethics Manual* states that "campaign funds may be used to pay travel expenses when the *primary purpose* of the trip is activity that serves a bona fide campaign or political purpose, provided that the outlays are limited to the expenses that are necessarily incurred in engaging in that activity."²¹⁵ In addition to campaign travel, a Member may also use campaign funds from his principal campaign committee to pay official or officially-related travel expenses,²¹⁶ but the Member must still "exercise great care" with respect to travel outlays, "because such outlays by their nature raise a concern of personal use."²¹⁷

The Committee has repeatedly and consistently sanctioned Members for the improper use of campaign funds. In *The Investigation of Financial Transactions of Representative James Weaver with His Campaign Organization*, the Committee explained that "[t]he Committee takes the position that any use of campaign funds which personally benefit[s] the Member rather than to exclusively and solely benefit the campaign is *not* a 'bona fide campaign purpose.' Moreover, a bona fide campaign purpose is not established merely because the use of campaign money *might* result in a campaign benefit as an incident to benefits personally realized by the recipient of such funds"²¹⁸ The Committee explained its reasoning:

[T]he Committee believes that any other interpretation . . . would open the door to a potentially wide range of abuse and could result in a situations where campaign moneys were expended for personal enjoyment, entertainment, or economic well-being of an individual without any clear nexus that the funds so expended achieved any political benefit.²¹⁹

²¹⁴ *Id.*

²¹⁵ *Id.* at 157 (emphasis in original).

²¹⁶ *Id.* at 176.

²¹⁷ *Id.* at 167.

²¹⁸ See House Comm. of Standards of Official Conduct, *Investigation of Financial Transactions of Representative James Weaver with His Campaign Organization*, H. Rep. 99-933, 99th Cong. 2d Sess. at 13 (1986) (emphasis in original).

²¹⁹ *Id.* at 13.

In *The Matter of Representative Barbara-Rose Collins*, a more recent case, the Committee found that campaign expenditures for travel to Africa by Representative Barbara-Rose Collins and her grandchildren and official staff were not bona fide campaign or political expenses, where permissible purposes for the trip were “incidental to the trip” and “the trip was mostly personal in nature for Representative Collins and the members of her entourage.”²²⁰

The FEC’s rules and guidance on this topic largely mirror that of the Committee. The FEC prohibits the “personal use” of campaign funds, defined as “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.”²²¹ The FEC has provided that “a candidate and the candidate’s committee have wide discretion in making expenditures to influence the candidate’s election, and this discretion would include expenses for campaign travel.”²²² Nevertheless, the FEC guidance restricts that discretion to ensure that the ban on personal use of campaign funds is not violated:

If travel involves both personal activities and campaign or officeholder related activities, the incremental expenses that result from personal activities are personal use . . . Campaign funds may be used to pay those expenses of the trip that relate to days when [the candidate] met with party officials to discuss her candidacy or engaged in political activities to assist her preparation as a candidate. Campaign funds may not be used to pay for the portions of the trip that consisted of days spent . . . on personal activity.²²³

The FEC regulations separately list examples of permissible non-campaign uses for campaign funds,²²⁴ as well as examples of uses that would constitute impermissible personal use.²²⁵ The regulations specify that a candidate may use campaign funds to “defray any ordinary and necessary expense incurred in connection with the recipient’s duties as a holder of Federal office,”²²⁶ including “[t]he costs of travel by the recipient Federal officeholder and an

²²⁰ House Comm. on Standards of Official Conduct, *In the Matter of Representative Barbara-Rose Collins*, H. Rep. 104-876, 104th Cong. 2d Sess. 24 (1997); *see also* House Comm. on Standards of Official Conduct, *In the Matter of Representative Charles G. Rose III*, H. Rep. 100-526, 100th Cong. 2d Sess. 23 (1988) (Member was unable to substantiate that withdrawals from campaign fund were verifiable campaign expenditures, and therefore the withdrawals were improper); House Comm. on Standards of Official Conduct, *In the Matter of Representative Richard H. Stallings*, H. Rep. 100-382, 100th Cong. 1st Sess. 3-4 (1987) (loans to individual and third party from campaign funds was not for the sole and exclusive benefit of the campaign, and therefore improper).

²²¹ 11 C.F.R. § 113.1(g).

²²² FEC Advisory Op. 2002-05 at 2, 4-5.

²²³ *Id.*

²²⁴ 11 C.F.R. § 113.2.

²²⁵ 11 C.F.R. § 113.1(g)(1)(A)-(J).

²²⁶ 11 C.F.R. § 113.2(a).

accompanying spouse to participate in a function directly connected to *bona fide* official responsibilities, such as a fact-finding meeting....”²²⁷ In contrast, the regulations explicitly prohibit using campaign funds to pay “[d]ues, fees or gratuities at a country club, health club, recreational facility or other nonpolitical organization, unless they are part of the costs of a specific fundraising event that takes place on the organization’s premises.”²²⁸

2. *Accepting Travel Paid for By a Private Party – Non-Officially-Connected*

Three exceptions to the gift rule potentially apply to the travel expenses paid by private entities in this matter. The first two are similar, in that they both relate to personal, non-officially connected travel, but they cover different types of gifts.

First, a Member may accept gifts of “personal hospitality” from individuals other than registered lobbyists or agents of a foreign principal.²²⁹ Personal hospitality is defined by statute as “hospitality extended for a non-business purpose by an individual, not a corporation or organization, at the personal residence of that individual or his family or on property owned by that individual or his family.”²³⁰ Accordingly, a Member may accept meals, lodging, and entertainment given on the basis of personal hospitality, regardless as to their relationship with the donor, so long as (a) the property or facilities are personally owned, as opposed to those owned by a corporation or firm; and (b) the hospitality is for a non-business purpose.²³¹

Thus, when an individual invites a Member or staff person to a dinner at the individual’s home for the purpose of discussing pending legislation, the invitation may not be accepted under this provision. Similarly, the provision does not apply when the expenses that an individual incurs in providing personal hospitality are either to be reimbursed by a business or deducted as business expenses.²³²

“Personal hospitality” covers only those expenses that are accepted *at the donor’s residence*, and as a consequence, would not include meals outside the home, or travel expenses.²³³

A Member may also accept gifts given on the basis of personal friendship.²³⁴ “[W]hen a Member or staff person wishes to rely on this provision of the rule, the individual must consider *each gift individually* – whether the gift is a meal, tickets to a game, or anything else – and the

²²⁷ 11 C.F.R. § 113.2(a)(1).

²²⁸ 11 C.F.R. § 113.1(g)(1)(G).

²²⁹ House Rule XXV, clause 5(a)(3)(P).

²³⁰ 5 U.S.C. app. 4 § 109(14).

²³¹ 2008 *House Ethics Manual* at 62.

²³² *Id.*

²³³ *Id.*

²³⁴ House Rule XXV, cl. 5(a)(3)(D).

individual must determine whether *that particular gift* was offered ‘on the basis of personal friendship.’”²³⁵ The gift rule requires Members to consider, when making such a determination, (1) the history of the relationship between the donor and the Member; (2) whether, to the best of the Member’s knowledge, the donor personally paid for the gift or sought a tax deduction or business reimbursement; and (3) whether, to the best of the Member’s knowledge, the donor gave similar gifts to other Members.²³⁶ Additionally, the Committee has advised Members to be particularly careful with respect to gifts from lobbyists or others with interests before Congress.²³⁷

If a gift given on the basis of personal friendship is valued in excess of \$250, a Member *must* seek prior written permission from the Committee before accepting the gift.²³⁸ The Committee’s guidance explicitly uses travel as an example of the sort of gift that might exceed this threshold.²³⁹

3. *Accepting Travel Paid for By a Private Party – Officially Connected*

Members may accept gifts of travel from private parties where such travel is connected with their duties as a Member.²⁴⁰ This broad rule contains within it many provisos and exceptions that have changed over time.

At the beginning of the 110th Congress, the House made major revisions to the rules governing travel, and the Committee promulgated new regulations to implement these changes effective March 1, 2007.²⁴¹ The rules prohibited lobbyist involvement (both in terms of attendance, and with respect to planning or organizing) in most trips, and required Committee approval of all privately funded travel.²⁴² Prior to these changes, the Committee’s guidance on officially-connected travel only required Members to disclose such expenses within 30 days of completing the travel and report them on their Financial Disclosure Statements.²⁴³

In contrast to the current rules requiring Committee approval, the Committee’s guidance in effect from 2000 to 2007 clearly put the onus on Members to determine whether their privately sponsored travel was appropriate:

²³⁵ 2008 *House Ethics Manual* at 39 (emphasis in original).

²³⁶ House Rule XXV, cl. 5(a)(3)(D).

²³⁷ 2008 *House Ethics Manual* at 39.

²³⁸ *Id.* at 40.

²³⁹ *Id.*

²⁴⁰ House Rule XXVI, cl. 5(b)(2)(D), 5(b)(3)(F) (2000); House Rule XXV, cl. 5(b)(1) (2014).

²⁴¹ 2008 *House Ethics Manual* at 88.

²⁴² *Id.* at 89.

²⁴³ Committee on Standards of Official Conduct, *Rules of the U.S. House of Representatives on Gifts and Travel* at 73 (2000) (hereinafter 2000 *Gifts and Travel*).

Often the [Committee] is asked to “approve” a particular trip under this provision of the gift rule. However, the Committee is precluded from “approving” any such trip by, among other things, the fact that the rule *places on individual Members and officers – and not on this Committee – the burden of making the determination* that a particular trip is in connection with official duties and would not create the appearance of using public office for private gain.²⁴⁴

Notably, the procedural changes did not alter the longstanding position of the House that privately-sponsored, officially-connected travel must, by its very nature, be connected with a Member’s official duties. The rule has, at all times relevant to this matter, defined officially connected travel so as to exclude events “the activities of which are substantially recreational in nature.”²⁴⁵ Moreover, distinct from officially-connected travel, the Committee has always required Members to seek prior approval of gifts, including travel, given on the basis of personal friendship, where such gifts exceed \$250 in value.²⁴⁶ Nevertheless, the change in travel rules requiring Committee pre-approval was a significant one, and brought with it a higher level of scrutiny for Members’ travel.

The rule changes during the 110th Congress also modified the treatment of travel on non-commercial aircraft. After 2007, the House substantially curtailed the ability of Members to accept a flight on non-commercial aircraft.²⁴⁷ The rule change did not affect the applicability of the personal friendship exception to gifts of non-commercial air travel: Members were permitted to accept such gifts before and after the rule change, but such acceptance has always been subject to the requirement of Committee pre-approval for gifts in excess of \$250. As noted in the Committee’s guidance, “[p]ractically any flight on a private aircraft will exceed \$250 in value and hence will require Committee approval.”²⁴⁸ The Committee’s guidance on valuing private air travel hinges on the nature of the flight plan. For regularly or previously scheduled flights, where the departure and destination are serviced by commercial airlines, the value of a private flight is estimated to equal the cost of a first-class ticket.²⁴⁹ For trips that were scheduled at the behest of the Member, or when the departure or destination does not have regular air service, the value of a private flight is estimated to equal the cost of the entire charter.²⁵⁰

²⁴⁴ 2000 *Gifts and Travel* at 72.

²⁴⁵ House Rule XXV, cl. 5(b)(1)(B) (2014); House Rule XXVI, cl. 5(b)(1)(B) (2000).

²⁴⁶ 2000 *Gifts and Travel* at 85. The rules for accepting a gift of personal hospitality, discussed *infra* later in this Part, are similarly consistent across all times relevant to this Report. See 2000 *Gifts and Travel* at 42-44. For consistency, unless the rules have changed in a manner relevant to this case, the Report cites to the rule in its current form.

²⁴⁷ House Rule XXIII, cl. 15.

²⁴⁸ 2008 *House Ethics Manual* at 120.

²⁴⁹ *Id.* at 120 n. 43.

²⁵⁰ *Id.*

The change occurred after all but four trips reviewed by the ISC. Had Representative Young accepted those travel expenses after 2007, any privately-sponsored officially-connected travel expenses would have been subject to Committee review prior to Representative Young's departure. Because of the change in rules, and also because of the degradation in evidence that occurs with the passage of time, the ISC has approached the trips taken prior to the change with more deference to the determinations made by Representative Young and asserted in his submissions to the Committee and DOJ. Unless those determinations relied on a reading of the gift rule that did not comport with its plain text, or the determinations were unsupported by the weight of reliable evidence, the ISC concluded that there was not substantial reason to believe that Representative Young had accepted impermissible travel. For the trips taken after the rule change, given the relative freshness of evidence associated with that travel, as well as the change in norms regarding travel by Members after that time, the ISC applied a stricter level of scrutiny.

D. Rules Pertaining to Other Gifts

The House Gift Rule also pertains to gifts other than gifts of travel. Prior to the changes that were implemented in 2007, the general provision of the gift rule, commonly known as the "less than \$50 rule" permitted a Member to accept gifts valued at less than \$50, and gifts having a cumulative value of less than \$100 from a single source in a calendar year, including gifts from lobbyists.²⁵¹ The general provision was limited by not only the value of the gift, but also the provision that a Member could not "buy down" the value of a gift to fit within the general provision.²⁵² This meant that if a gift's value was \$50 or greater, a Member was not permitted to pay the amount in excess of \$49.99. Additionally, if the source of a gift was an individual affiliated with an entity, such as a member of a lobbying firm, the annual gift limitation applied to both the individual and the lobbying firm.²⁵³ This form of the rule governs all non-travel gifts reviewed by the ISC because none of the gifts reviewed were given after the rules changed in 2007.²⁵⁴

E. Handling Impermissible Gifts

When in receipt of an impermissible gift, a Member may pay either pay fair market value for the gift, or return it to the donor.²⁵⁵ Committee guidance permits Members, when they receive an unexpected gift, to accept the gift provisionally until they are able to review the gift rule and make a decision on its applicability.²⁵⁶

²⁵¹ 2000 *Gifts and Travel* at 3.

²⁵² *Id.* at 16.

²⁵³ *Id.* at 17.

²⁵⁴ The ISC notes that, given the already voluminous state of this Report, it did not provide an analysis of every gift Representative Young requested the Committee review. Specifically, the ISC chose not to include a discussion regarding many of the gifts that fit squarely within an exception to the Gift Rule, or in some instances were not "gifts" within the definition of the Gift Rule. Also, with the exception of one gift discussed herein, Representative Young was not required to report any of the gifts on his Financial Disclosure Statements.

²⁵⁵ 2008 *House Ethics Manual* at 73.

²⁵⁶ *Id.*

The Committee has sanctioned Members who accepted impermissible gifts knowingly or in bad faith. For example, *In the Matter of Representative Jay Kim*, the Committee found substantial reason to believe that Representative Kim had improperly accepted gifts of cash, travel, and golf equipment from a foreign corporation.²⁵⁷ At the time the Committee began its investigation, Representative Kim had been indicted by DOJ for similar allegations. While the Committee in that case chose not to proceed further given Representative Kim's pending departure from the House, the Committee nevertheless found substantial reason to believe that the acceptance of those gifts did not reflect creditably on the House.²⁵⁸

In 1988, *In the Matter of Representative James C. Wright Jr.*, the Committee adopted a Statement of Alleged Violation against Representative Wright, charging him with, among other things, improperly accepting gifts, including gifts of free and reduced-cost lodging over the span of several years.²⁵⁹ Before the Committee could adjudicate the matter, Representative Wright resigned from the House.

Even in cases where the impermissible gifts were not accepted knowingly or in bad faith, the Committee has required Members to repay the value of such gifts. In *The Matter of the Investigation into Officially Connected Travel of House Members to Attend the Carib News Foundation Multinational Business Conferences in 2007 and 2008*, the Committee found that, for five of the six Members who accepted the travel to an annual conference, there was not sufficient evidence that these five Members knew or should have known why the acceptance of such travel was improper.²⁶⁰ Nevertheless, the Committee did find that because the travel was in fact improper because it was not an approvable trip from the outset, the five Members should be required to repay the value of the travel.²⁶¹ For the sixth Member, because there was evidence tending to show that he should have known the reason for the impropriety of the gift, the Committee admonished the sixth Member, in addition to requiring him to repay the value of the gift.²⁶²

More recently, *In The Matter of Allegations Relating to Representative Jean Schmidt*, the Committee required Representative Schmidt to repay hundreds of thousands of dollars in legal

²⁵⁷ Comm. on Standards of Official Conduct, *In the Matter of Representative Jay Kim*, H. Rep. 105-797, 105th Cong. 2d Sess. 26-27 (1998).

²⁵⁸ *Id.* at 26.

²⁵⁹ Comm. on Standards of Official Conduct, *In the Matter of Representative James C. Wright Jr.* at 12-19 (April 13, 1989) (Statement of Alleged Violation).

²⁶⁰ House Comm. on Standards of Official Conduct, *In the Matter of the Investigation into Officially Connected Travel of House Members to Attend the Carib News Foundation Multinational Business Conferences in 2007 and 2008*, H. Rep. 111-422, 111th Cong. 2d Sess. 2 (2010) (hereinafter *Carib News*).

²⁶¹ *Id.* at 2.

²⁶² *Id.* at 2-3.

fees expended on her behalf, despite the fact that she had expected to receive a bill for those services, and was unaware that a private entity had already paid for them.²⁶³

F. Travel Expenses, and Other Things of Value, that Constitute Permissible Gifts

During its investigation, the ISC found no evidence indicating the following trips were improper. For many of these trips, Representative Young provided a justifiable explanation indicating the basis under which he was permitted to accept the travel expenses as gifts, or indicating the travel expenses were permissible campaign expenses. The evidence gathered by the ISC did not form a substantial reason to believe that Representative Young's reliance upon those exceptions or his claim that such trips were campaign related was improper.

1. Permissible Use of Campaign Funds for Travel Expenses

Representative Young traveled to Savannah Dhu in October of 2003 to headline a fundraising event for Representatives Mike Rogers (AL) and James Gerlach, and former Representative Rick Renzi. The fundraising event was one of several events held at Savannah Dhu in support of Members of Congress.²⁶⁴ As a general matter, Members that participated in the fundraising events were able to participate in hunting activities offered at Savannah Dhu.²⁶⁵ Although Savannah Dhu's pricing structure evolved over time, during 2003, the facility usage charge that was billed to the campaigns that participated in the events included not only lodging and meals, but also participation in hunting activities.²⁶⁶ Representative Young's campaign was billed for, and paid, \$1,548 for a portion of the expenses related to the campaign dinner event and lodging expenses.²⁶⁷ Representative Young's campaign also paid \$6,206 for the transportation costs incurred in connection with this trip.²⁶⁸

Based on the information gathered by the ISC, it appears that Representative Young's trip to Savannah Dhu in October of 2003 was a legitimate campaign activity and that Representative Young properly paid expenses related to his trip with campaign funds. Documents obtained by the ISC, as well as the FEC records, reflect that Representative Young's campaign was billed at the same rate as other participating campaigns, and Representative Young's campaign submitted payments covering the total amount of charges invoiced.²⁶⁹

²⁶³ House Comm. on Ethics, *In the Matter of Allegations Relating to Representative Jean Schmidt*, H. Rep. 112-195, 112th Cong. 1st Sess. 16-17 (2011).

²⁶⁴ ISC Interview of Richard Pietrefesa.

²⁶⁵ *Id.*

²⁶⁶ *Id.*

²⁶⁷ Exhibit 53.

²⁶⁸ Exhibit 54.

²⁶⁹ *See* Exhibits 53, 55.

Representative Young's trip to Savannah Dhu in 2007 also appears to be a legitimate campaign event and a proper use of campaign funds. In November of 2007, Representative Young hosted a hunting weekend at Savannah Dhu. Participants were invited to spend four nights at Savannah Dhu along with Representative Young and participate in recreational activities throughout the weekend.²⁷⁰ Following the event, Representative Young's campaign was billed for expenses incurred related to the event and Representative Young's campaign submitted payment to Savannah Dhu for the invoice.²⁷¹

The evidence obtained by the ISC indicates both the 2003 and 2007 trips to Savannah Dhu were legitimate campaign events, and Representative Young properly expended campaign funds to pay for expenses related to the trips. Because both trips were campaign events paid for by Representative Young's campaign, he was not required to report the trips on his Financial Disclosure Statements.

2. *Permissible Travel Expenses Acceptable As Privately-Sponsored, Officially-Connected Travel*

Representative Young attended an annual event hosted by Rowan Companies at Las Pitas Camp in Falfurrias, Texas, from 2001-2004 and in 2006. According to Representative Young, he was permitted to accept travel and lodging expenses related to these trips under the then-existing officially-connected travel exception. Before 2007, this exception allowed Members to accept travel-related expenses from a private source to attend events sponsored by the private source. Members made the determination whether the event was in fact connected to their official duties. If the Member determined that the event was officially-connected, the Member could accept expenses such as transportation, meals, and lodging related to the trip. Members were required to disclose such trips on their annual Financial Disclosure Statement.

The ISC found that the weight of the evidence regarding Representative Young's trips to Las Pitas indicated the trips were officially connected. The purpose of the event, as described by a Rowan executive, was to bring together Alaska officials and businessmen involved in the aviation business in Alaska.²⁷² The event included informal discussions amongst all participants, as well as a formal organized dinner event discussing issues unique to Alaska as it related to the aviation industry.²⁷³

Similarly, Representative Young was permitted to accept travel and lodging expenses for the first trip to Mariposa Ranch, in April of 2005. Representative Young's submission to the ISC indicates that he had determined that these events were officially connected, and at the time of this travel, he was authorized under the Gift Rule to make such a determination. The ISC found that the weight of the evidence supported Representative Young's determination that the trip was officially connected; the attendees on the trip included other government officials in the

²⁷⁰ Exhibit 56.

²⁷¹ Exhibit 57.

²⁷² ISC Interview Transcript of Charles Palmer.

²⁷³ *Id.*

transportation realm, and the description of the event both in Representative Young's own files and in those of the trip sponsor indicate an officially connected purpose.

3. *Permissible Travel Expenses Acceptable Under Personal Hospitality Exception*

Of the trips it reviewed, the ISC found six trips taken by Representative Young from 2001-2005 that appear, in part, to be appropriate gifts that were acceptable under the personal hospitality exception to the gift rule.²⁷⁴ Specifically, based on the evidence before it, the ISC found that Representative Young was permitted to accept the lodging and meals associated with the trips under the personal hospitality exception to the Gift Rule.

As described in Parts III.H.-J. above, Representative Young visited four personally-owned ranches over the course of a five-year period – Grande Ronde Lodge (owned by the Burns brothers),²⁷⁵ Tom Johnson's ranch,²⁷⁶ a ranch owned by John Weisman,²⁷⁷ and a ranch owned by Bob Malone.²⁷⁸ The purpose of each of these trips was social in nature, and the ISC found no evidence that there was any business purpose associated with the trip. The evidence before the ISC also indicated that the ranches, being personally owned, were not leased commercially or offered for rent and were used exclusively for the enjoyment of the owners and their friends and families. The evidence obtained by the ISC indicates that each of these trips fit squarely within the personal hospitality exception to the Gift Rule, and therefore, Representative Young was permitted to accept lodging and meals at the ranches of the hosts. As is discussed more fully below in Part V.I., Representative Young was not required to report these trips on his annual Financial Disclosure Statements.²⁷⁹

4. *Permissible Travel Expenses Acceptable Under Personal Friendship Exception*

In November of 2007, Representative Young traveled to a ranch owned by Robert Palmer. Mr. Palmer testified that he personally owns the ranch and does not use the ranch for commercial purposes, such as renting it to third parties.²⁸⁰ Mr. Palmer invited Representative Young to stay at his ranch for a few days and offered to fly Representative Young to the ranch on his private plane.²⁸¹ Before his trip began, Representative Young submitted a request to the

²⁷⁴ See *infra* Part V.G. and V.H. for a discussion of transportation expenses incurred in connection with these trips.

²⁷⁵ Representative Young visited Grande Ronde Lodge in 2005.

²⁷⁶ Representative Young visited Mr. Johnson's ranch in 2001, 2004, and 2005.

²⁷⁷ Representative Young visited Mr. Weisman's ranch, the Flying W Ranch, in 2002 and 2003.

²⁷⁸ Representative Young visited Mr. Malone's ranch in 2001.

²⁷⁹ Pursuant to the Ethics in Government Act, 5 U.S.C. 4 app. § 102(a)(2)(A), food, lodging, and entertainment received as personal hospitality does not have to be reported on an annual Financial Disclosure Statement.

²⁸⁰ ISC Interview of Charles Palmer.

²⁸¹ *Id.*

Committee for permission to accept Mr. Palmer's offer under the personal friendship exception to the Gift Rule.²⁸² The Committee reviewed Representative Young's submission and approved his acceptance of the gift of travel from Mr. Palmer. Although Representative Young received prior approval for his travel on Mr. Palmer's private aircraft, the ISC found no evidence that Representative Young reported the gift on his annual Financial Disclosure Statement, or received a waiver of the reporting requirement.

Neither Representative Young's request nor the Committee's subsequent response clearly address whether Representative Young was seeking approval to also accept the gifts of lodging, food, and entertainment he received during his stay at Mr. Palmer's ranch. However, the evidence gathered by the ISC indicates Representative Young would have been permitted to accept the food, lodging, and entertainment under the personal hospitality exception regardless of whether he obtained pre-approval from the Committee.

5. *Tom Johnson's Rifle*

The .300 Winchester Magnum rifle Representative Young purchased from Mr. Johnson was not a gift by definition. Representative Young paid fair market value for the gun. Additionally, Representative Young's use of the gun while availing himself of hunting activities at Mr. Johnson's ranch was subsumed in the appropriate acceptance of personal hospitality.

6. *Pete Leathard's Golf Clubs*

Representative Young's temporary use of Mr. Leathard's golf clubs met at least one exception to the gift rule, insofar as his use had a value of less than \$50. The ISC discovered no evidence to rebut this valuation. Moreover, even if the use of the golf clubs would have a market value of over \$50, it is highly unlikely, in the view of the ISC, that the value of using the golf clubs would have exceeded \$250. Given Representative Young's representation of Mr. Leathard as a personal friend, he could have accepted the use of the golf clubs as a gift of personal friendship without seeking prior written approval from the Committee.

G. Travel Expenses that Constitute Impermissible Personal Use of Campaign Funds

1. *Chama Lodge, 2005*

Representative Young's trip to the Chama Lodge in New Mexico in 2005 had more than one aim. The first full day was ostensibly a meeting with tribal officials from the Jicarilla Apache Nation. Because Members were authorized to make determinations regarding privately-sponsored officially-connected travel without Committee approval at this time, the ISC is without sufficient evidence to determine that this portion of the trip was not officially-connected,

²⁸² Exhibit 35. Although Representative Young's request, and the Committee's subsequent response do not clearly address whether Representative Young's request for approval to accept a gift of personal friendship included not only the gift of travel on a private aircraft, but also the gifts of lodging, food, and entertainment he received during his stay at Mr. Palmer's ranch, the evidence gathered by the ISC indicates Representative Young would have been permitted to accept the food, lodging, and entertainment as a gift of personal hospitality which would not have required pre-approval from the Committee.

which would have permitted Representative Young to accept the payment of reasonable expenses from the Nation, or, as he did, pay for travel expenses with campaign funds.

The next full day was initially scheduled for a campaign event. That campaign event did not occur. Without additional evidence about when it was cancelled, however, the ISC does not have sufficient evidence to conclude that the expenses for this day were not related to the campaign.

Despite this, no evidence exists to support the use of campaign funds to extend the Youngs' stay (and that of Mr. Anderson) at Chama Lodge from the 14th – the day after the cancelled campaign event – through the 16th of October, 2005. As noted above, trips with a mixed purpose are permissible, but all “incremental expenses” for personal purposes are not properly charged to the campaign.²⁸³ Like the Africa trip in *Collins*, the three extra days Representative Young spent in New Mexico appear to have been only incidentally connected to campaign activity, and “mostly personal in nature.”²⁸⁴

The ISC consequently recommends that the Committee direct Representative Young to repay his campaign \$1,090.64 for two extra nights' lodging,²⁸⁵ and \$329.49 for three extra days' use of a rental car.²⁸⁶

It is unclear what Representative Young had in mind when he took this trip, with respect to its propriety. Without additional evidence, the ISC cannot conclude that he expended these campaign funds with knowledge of the impropriety or otherwise acted in bad faith.

2. *Mariposa Ranch, 2006-2007*

Representative Young claims in his submission to DOJ that his trips to Mariposa Ranch involved a fundraising event.²⁸⁷ The investigation revealed no evidence of such an event.

Further, the ISC found no evidence of any contribution associated with anyone who attended the 2006 event. No evidence was presented that any of the participants were ever sent an invitation that suggested a contribution, or that anyone else save Mr. DeLay and Mr. Dougherty saw the invitation at all.²⁸⁸ None of the attendees of the trip, nor anyone involved in planning it, testified that a campaign event occurred.²⁸⁹ Tellingly, neither Mr. DeLay

²⁸³ FEC Advisory Opinion 2002-05 at 4-5.

²⁸⁴ *Collins* at 23.

²⁸⁵ Because Mr. Anderson also stayed two extra nights at Chama Lodge, the campaign incurred an additional \$545.32 in lodging charges attributable to his personal use. Mr. Anderson is no longer an employee of the House, and accordingly the Committee does not have jurisdiction over him. Nevertheless, the ISC recommends that the Committee direct Representative Young to use his best efforts to recoup the \$545.32 in order to make his campaign fund whole.

²⁸⁶ The ISC intends that Representative Young be required to repay any of the impermissible gifts and trips with personal funds unless otherwise noted.

²⁸⁷ Letter from John Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

²⁸⁸ Exhibit 30.

²⁸⁹ ISC Interview of Michael Hatch at 27, ISC Interview of Bruce Stanski at 30.

(purportedly planning this fundraiser) nor Mr. Dougherty (directing the campaign) dealt directly with the vendor for the trip, SK Corporation. Instead, SK sent its bills to KBR,²⁹⁰ which only forwarded to Representative Young's campaign the portion of the cost associated with Representative Young, Mrs. Young, and Mr. Barnes for reimbursement.²⁹¹ If indeed this had been a campaign event, either the campaign would have covered the cost of the entire event, or KBR's payment of a portion of the cost of the event would have been a contribution to Representative Young's campaign.²⁹²

Similarly, in 2007, the ISC found no evidence of a fundraiser of any kind. John Allcorn, who attended the trip, donated \$2,000 to Representative Young's campaign, but the donation came nearly six months later.²⁹³ Mr. Harl testified that there was no fundraiser and that Representative Young never left the ranch during the weekend. And in this case, Representative Young admitted that his campaign had never paid for the expenses of the hunt, apparently content to let a large *de facto* contribution simply pass by without comment. While it is true that candidates have wide discretion to determine acceptable uses for their campaign funds, one use that is specifically proscribed is fees related to a recreational facility, unless those fees are paid in conjunction with a *specific campaign benefit*.²⁹⁴ Relationship-building, future donations, or other nebulous benefits are not enough to overcome the plain text of the regulation.

In *Weaver*, the Committee expressed concern about precisely this sort of campaign expenditure. In order to be sure that campaign moneys are not "expended for personal enjoyment [or] entertainment," the Committee reasoned, there must be a "clear nexus that the funds so expended achieved [a] political benefit," and not "merely because the use of campaign money *might* result in a campaign benefit as an incident to benefits personally realized...."²⁹⁵ In this case, just like in *Weaver*, the absence of any nexus between the expenditures and a particular campaign event dooms the expenditure to impropriety.

The ISC believes that the use of campaign funds for both of these trips was inappropriate. The ISC concludes that rectifying the quandaries posed by these trips should take two steps. First, the ISC recommends that the Committee direct Representative Young to repay his campaign \$3,459.60 for the airfare in 2006,²⁹⁶ \$1,500 for lodging in 2006, and \$4,778.80 for

²⁹⁰ See Exhibit 21.

²⁹¹ See Exhibit 58.

²⁹² While it is not dispositive, it is curious that after a back-and-forth with KBR regarding the incremental cost of the event, Representative Young chose to attempt to pay a portion of those costs via personal check. If he truly believed the event was a campaign fundraiser, there was no need to expend his own funds, although he was certainly may have been permitted to do so, subject to FEC regulation.

²⁹³ Federal Election Commission, <http://docquery.fec.gov/cgi-bin/fecimg/?27931380614> (last visited April 29, 2014).

²⁹⁴ 11 C.F.R. § 113.1(g)(1)(G).

²⁹⁵ *Weaver* at 13.

²⁹⁶ Additional improper charges to the campaign, totalling \$2,479.80, are attributable to the personal use of Mr. Barnes. Mr. Barnes is no longer an employee of the House and so the Committee no longer has jurisdiction over

airfare in 2007.²⁹⁷ Second, the ISC recommends that the Committee direct Representative Young to personally repay KBR and Willbros for the expenses they incurred and for which they have not been repaid: \$6,607 (covering one person's portion of the deer/quail hunt, one person's portion of the quail rigs, a hunting license, a nilgai bull, and a non-hunter fee)²⁹⁸ to KBR, and \$4,696.88 (covering one person's portion of the hunt, Representative Young's fees for the extra day of hunting, a nilgai cow, and the gratuity) to Willbros.

It is unclear what Representative Young had in mind when he took these trips, with respect to their propriety. Without additional evidence, the ISC cannot conclude that he expended these campaign funds with knowledge of the impropriety or otherwise acted in bad faith.

3. *Private Air Travel Paid for by the Campaign for Personal Use*

In addition to the instances where the ISC believes Representative Young's use of campaign funds to cover all costs associated with certain trips was inappropriate, the ISC also discovered instances that Representative Young's use of campaign funds to pay for his travel to and from certain locations was inappropriate.

In December of 2002, Representative Young traveled to Texas to attend a number of events. During his time in Texas, he traveled along with Tom Johnson on a private aircraft to John Weisman's Ranch, which is located near Ulvalde, Texas. Representative Young was invoiced and subsequently paid the cost of the flight, \$1,325, with campaign funds.²⁹⁹ As noted above, campaign funds may be used for travel expenses. However, the primary purpose of the trip must be related either to a Member's campaign activities, or to his official duties. Here, the primary purpose of Representative Young's trip was recreational.³⁰⁰ The ISC believes the use of campaign funds to pay the cost of his travel on a recreational trip was inappropriate. The ISC recommends that the Committee direct Representative Young to repay the campaign for the value of his flight to and from Tom Johnson's Ranch.

Similarly, Representative Young traveled by private aircraft to Tom Johnson's Ranch in 2004 and 2005 even though no campaign events occurred at that location.³⁰¹ The ISC recommends that the Committee direct Representative Young to reimburse his campaign

him. Nevertheless, the ISC recommends that the Committee direct Representative Young to use his best efforts to recoup that amount in order to make his campaign fund whole.

²⁹⁷ Exhibit 35.

²⁹⁸ Of that amount, as discussed above, Representative Young wrote a personal check in the amount of \$1,607 that was apparently never cashed. If Representative Young were able to demonstrate that the bank is in error, the amount of his repayment should decrease accordingly.

²⁹⁹ Exhibit 59, 60.

³⁰⁰ See Exhibit 49.

³⁰¹ *Supra* note 158.

\$2,051.80 for the cost of the 2004 private aircraft flight,³⁰² and \$2,130 for the cost of the 2005 private aircraft flight.³⁰³

In October of 2005, Representative Young, his wife, and Michael Anderson traveled by private aircraft from Portland, Oregon to Lewiston, Idaho, to Washington, DC. Representative Young's campaign paid for the cost of first-class, round-trip airfare from Washington, DC to Portland, Oregon; from Portland, Oregon, to Lewiston, Idaho; and from Lewiston, Idaho, to Washington, DC. Representative Young's travel from Washington, DC, to Portland was for a legitimate campaign event. However, he traveled from Portland to Lewiston to hunt at the Grande Ronde Lodge and this portion of his trip does not appear to be in connection with a legitimate campaign event. Based on the applicable rules at the time, Representative Young would not have been permitted to use campaign funds to pay for the cost of his, his wife's, or his staffer's flight on a private aircraft with campaign funds. In today's costs, the approximate cost of a first class flight from Portland to Lewiston would be approximately \$1,500 for three travelers. The ISC recommends that the Committee direct Representative Young to repay his campaign \$1,000 to cover the personal use of campaign funds by himself and his wife, and direct Representative Young to use his best efforts to recoup the \$500 constituting the personal use of campaign funds by Mr. Anderson, in order to make his campaign fund whole.

It is unclear what Representative Young had in mind when he disbursed these campaign funds for air travel, with respect to the propriety of doing so. Without additional evidence, the ISC cannot conclude that he expended these campaign funds with knowledge of the impropriety or otherwise acted in bad faith.

H. Travel Expenses, and Other Things of Value, that Constitute Impermissible Gifts

1. Savannah Dhu "Personal Hospitality" Trip, 2004

Representative Young claimed that his trip to Savannah Dhu constituted acceptable personal hospitality. He is incorrect for two reasons. First, Savannah Dhu is not the sort of facility that can be described as a personal residence. To be sure, the Congel family uses the property for recreation. But in addition to that use, the property houses facilities for conferences and enough beds for a group numbering in the dozens. Mr. Congel and other Pyramid and DestiNY executives used the property often for business purposes, and Representative Young himself engaged in a number of large-scale campaign events there. Because it is not a personal residence, it cannot be used for personal hospitality.

Even if Savannah Dhu had retained its sole purpose as a retreat for the Congels, the trip in 2004 still would not constitute personal hospitality because it involved official business. Representative Young himself admits that the trip involved official business, because he paid for the travel with campaign funds.³⁰⁴ Despite his protestations that the stay at Savannah Dhu was "unrelated" to that business, Mr. Pietrafesa made clear that the tour of the DestiNY property and

³⁰² Exhibit 61.

³⁰³ Exhibit 62.

³⁰⁴ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

the stay at Savannah Dhu were, in his mind, inextricably linked.³⁰⁵ Indeed, the helicopter tour had, as its destination, Savannah Dhu itself.³⁰⁶

Because of the focus on official business that rendered the personal hospitality exception inapposite, the ISC also considered whether it could approve these travel expenses on the basis that they were officially-connected, privately-sponsored travel. As noted elsewhere in this section, Representative Young was not required to have such trips approved by the Committee at the time he traveled to Savannah Dhu in 2004. But just because a private host and a Member discuss business during a recreational trip does not transform the trip into officially-connected travel. Otherwise, Members could schedule all sorts of meetings on tangentially related subjects, and arrange for them to occur on the golf course, or at the beach, or with other recreational activities. And while it is true that the rules do not require officially connected travel to be joyless marches through meeting after meeting, they do require a substantial connection to official business. In the opinion of the ISC, this trip was at once too close to official business to qualify as personal hospitality, and at the same time too recreational in nature to be officially connected.

Accordingly the ISC recommends that the Committee direct Representative Young to repay the costs of this travel. Because Savannah Dhu did not prepare an invoice for this trip, estimating its value is imprecise. But Savannah Dhu did invoice Representative Young's campaign for the fundraiser it held there in 2007, and the ISC believes this invoice provides a reasonable appraisal of the value of lodging and meals.³⁰⁷ Based on that invoice, the gift of three nights' lodging and meals to Representative Young was worth \$1,100, and he should repay Savannah Dhu that amount.³⁰⁸ Additionally, to cover the cost of hunting, Representative Young should repay to Savannah Dhu \$500, which represents two days of hunting white-tailed does, the least expensive large game on Savannah Dhu's rate sheet as of 2007.³⁰⁹

Finally, the ISC recommends that the Committee direct Representative Young to repay his campaign for the costs it incurred in paying for his travel via private aircraft, in the amount of \$3,751.³¹⁰

It is unclear what Representative Young had in mind when he took this trip, with respect to its propriety. Without additional evidence, the ISC cannot conclude that he expended these

³⁰⁵ ISC Interview of Richard Pietrafesa.

³⁰⁶ Exhibit 16.

³⁰⁷ See Exhibit 18.

³⁰⁸ As noted above, it is unclear whether the costs of the 2004 trip were borne by Savannah Dhu, DestiNY, or Pyramid. None of the documents produced by Pyramid evidence an invoice from one company to another. Accordingly, the ISC has assumed that Savannah Dhu was the donor of these expenses.

³⁰⁹ Exhibit 8. Note that this conservative approach is not always followed by the Committee in other contexts. See 2008 *House Ethics Manual* at 73 (noting that a ticket to an event without a printed value should be valued at the price of "the highest individually-priced ticket for the event."). Despite this, the ISC believes that its conservative valuation is appropriate given the lack of extant evidence regarding what Representative Young actually hunted and the qualitative difference between the variety of game.

³¹⁰ Exhibit 63.

campaign funds or accepted the gifts with knowledge of the impropriety, or otherwise acted in bad faith.

2. *Tom Johnson Ranch “Personal Hospitality” Trip, 2013*

The evidence presented to the ISC regarding Representative Young’s most recent trip to Mr. Johnson’s ranch differed from his previous stays there in one crucial respect: the ISC has evidence that, in 2013, Mr. Johnson sought and received reimbursement from AGCTX for his expenses. Accordingly, the gifts of meals during this trip do not meet the required elements for an acceptable gift of personal hospitality.³¹¹

Valuing this gift is relatively complicated: while the receipts submitted for reimbursement obviously have a specific dollar value, not all of that value can be attributed to a gift to Representative Young. After all, Mr. Johnson likely ate some of the food he purchased for the weekend. Accordingly, the ISC recommends that the Committee direct Representative Young to repay AGCTX in the amount of \$138, which equals the maximum *per diem* rate for three days of meals and incidental expenses authorized for the ranch’s location in Texas.³¹²

It is unclear what Representative Young had in mind when he took this trip, with respect to its propriety. Without additional evidence, the ISC cannot conclude that he accepted this gift with knowledge of the impropriety or otherwise acted in bad faith.

3. *The “Charitable Obligation” Trips – Savannah Dhu 2005-2006, Kodiak Sportsman’s Lodge 2006 & 2008.*

Representative Young took four trips that arose out of the Alaska SeaLife Center auction – two to Savannah Dhu, and two to Kodiak Sportsman’s Lodge. He paid for no portion of any of them. His justification for accepting these expenses is the same for all four trips – his acceptance was necessary to fulfill a charitable obligation.³¹³ Representative Young does not cite an exception to the gift rule that covers this scenario, and the ISC does not believe that such an exception exists. It is true that Members are often called upon to donate to charity, and on some occasions that donation may take a form that requires the expenditure of time: for example, a Member might auction off a tour of the Capitol that he gives personally to the winner, or lunch as his guest in The Members’ Dining Room. But the Committee’s guidance on charitable solicitation specifically prohibits direct personal benefits from the solicitation.³¹⁴ If Representative Young wants to support the SeaLife Center or any other charity by participating in an auction and offering his time as a part of an item or items for bid, that may be permissible – but he must pay for his own costs associated with that offer, as opposed to accepting the payment of those costs either from the charity or the affiliated donor.

³¹¹ See 2008 *House Ethics Manual* at 62.

³¹² U.S. General Services Administration, <http://www.gsa.gov/portal/category/100120> (last visited April 29, 2014). Because there is no evidence that AGCTX paid for the lodging that Mr. Johnson provided to Representative Young in any fashion, the ISC did not include that portion of the gift in this valuation.

³¹³ Letter from John M. Dowd to R. Blake Chisam, Committee on Standards of Official Conduct (August 5, 2010).

³¹⁴ 2008 *House Ethics Manual* at 348.

Accordingly, the ISC recommends that the Committee direct Representative Young to repay Savannah Dhu and Kodiak Sportsman's Lodge for the value of his travel related to those four trips. For Savannah Dhu, the ISC again relied on the invoices from the campaign event there in 2007 as well as the cheapest available hunting. Based on these figures, the ISC recommends that the Committee require Representative Young to repay Savannah Dhu \$800 for lodging, \$1,400 for food, and \$1,000 for hunting activities, to cover both the 2005 and 2006 charity trips. Additionally, Representative Young should repay the costs both of the private air travel in 2005, which totaled \$7,981³¹⁵, and the commercial air travel covered by the campaign in 2006, \$1,539, according to the campaign's FEC report.³¹⁶

For Kodiak Sportsman's Lodge, the value of the trip is all-inclusive of transportation, lodging, meals, and fishing activities, so the estimate is simpler: \$2,850 for each of the two trips, unless Representative Young can verify that Kodiak Sportsman's Lodge did not pay for his fishing license in 2006 and 2008, which would reduce the total by \$50.

It is unclear what Representative Young had in mind when he took these trips, with respect to their propriety. Without additional evidence, the ISC cannot conclude that he accepted these gifts with knowledge of the impropriety or otherwise acted in bad faith.

4. *Private Air Travel from Personal Friends without Prior Approval*

Oftentimes, Representative Young traveled by private aircraft owned by the host of the hunting trip, or a guest of the host to the various hunting ranches and lodges. The ISC analyzed those instances of travel to and from a location as separate gifts apart from the lodging, meals, and activities Representative Young may have accepted. As a practical matter, Representative Young may have been permitted to accept the gifts of lodging, meals, and activities under a provision of the gift rule, but may have either needed prior Committee approval to accept the gifts of travel or may have been required to pay for the travel personally. For each instance where the ISC found evidence that Representative Young traveled by private aircraft, the ISC determined whether such travel was permissible under applicable gift rules. If Representative Young used campaign funds to pay for the cost of the private flight, the ISC determined whether he was permitted to do so.

- Representative Young traveled by private aircraft to Bob Malone's Ranch in 2001.³¹⁷ Although Representative Young may have been permitted to accept the gift of travel under the personal friendship exception to the gift rule in place at the time, in order for the exception to apply, Representative Young was required to seek approval from the Committee. The ISC found no evidence that Representative Young had done so. Therefore, the exception was inapplicable and he was not permitted to accept the travel on Mr. Malone's private aircraft. The ISC recommends that the Committee direct Representative Young to repay Mr. Malone \$3,000 for the cost of the flight.

³¹⁵ Exhibit 62.

³¹⁶ Exhibit 64.

³¹⁷ Based on the applicable rules pertaining to travel by private aircraft at the time, when a route, such as the one to Ulvalde, Texas, from Austin, Texas, was not serviced by a commercial airline, the value of the flight is the cost of chartering the same or a similar aircraft for the flight.

- Representative Young traveled by private aircraft on a plane owned by Doug Pitcock to Tom Johnson's ranch in 2001.³¹⁸ Although Representative Young may have been permitted to accept the gift of travel under the personal friendship exception to the gift rule in place at the time, in order for the exception to apply, Representative Young was required to seek approval from the Committee. The ISC found no evidence that Representative Young had done so. Therefore, the exception was inapplicable and he was not permitted to accept the travel on the private aircraft. Representative Young to repay Mr. Pitcock \$327.50 for the cost of the flight.
- Representative Young traveled by private aircraft to the Flying W Ranch in 2003.³¹⁹ Although Representative Young may have been permitted to accept the gift of travel under the personal friendship exception to the gift rule in place at the time, in order for the exception to apply, Representative Young was required to seek approval from the Committee. The ISC found no evidence that Representative Young had done so. Therefore, the exception was inapplicable and he was not permitted to accept the travel on Mr. Johnson's private aircraft. Representative Young to repay Mr. Johnson \$2,057 for the cost of the flight.

It is unclear what Representative Young had in mind when he accepted the payment of these expenses, with respect to the propriety of doing so. Without additional evidence, the ISC cannot conclude that he accepted these gifts with knowledge of the impropriety or otherwise acted in bad faith.

5. *Boots from Robert Congel and Duncan Smith*

Representative Young initially received Le Chateau boots and a boot bag from Robert Congel. These were expensive shoes, valued at \$434. Representative Young could not accept a gift of this value from Mr. Congel without seeking prior written permission for a personal friendship exception from the Committee. Mr. Congel's team recognized this issue and attempted to rectify it. The parties arrived at a solution whereby Duncan Smith would repay Mr. Congel for the boots. But this did not square the circle. The only thing accomplished by Mr. Smith's payment was a conversion of the boots from a gift by Mr. Congel to a gift by Mr. Smith. It did not relieve Representative Young of the requirement to request permission from the Committee to accept the boots, no matter the donor. In fact, Mr. Smith's status as a consultant and a colleague of Mr. Zane arguably made the situation worse: one of the factors for determining the basis for a gift is the identity of the donor, and gifts from lobbyists and individuals with interests before the House receive extra scrutiny. Regardless of whether Mr. Smith's gift of the boots would have qualified as a gift of personal friendship, the lack of prior approval renders the acceptance of the gift inappropriate. Accordingly, the ISC recommends that the Committee direct Representative Young to repay Mr. Smith \$434 for the boots and boot bag.

³¹⁸ Exhibit 41 at 3-5; ISC Interview of Tom Johnson.

³¹⁹ Exhibit 48.

6. *Meals and Rounds of Golf from C.J. Zane and Duncan Smith*

Representative Young received four meals from Mr. Smith in 2004 valued at \$305.77. Only one of the meals, with a cost of \$36.32, was valued at less than \$50. The remaining three meals were all valued above \$50. Based on the general provision of the Gift Rule at the time, Representative Young was only permitted to accept the meal valued at less than \$50. Representative Young submitted he was able to accept the meals from Mr. Smith under the personal friendship exception to the gift rule. The value of each of the gifts certainly would have fallen within this exception, and would not have required any review or prior approval from this Committee, if the gifts had actually been paid for by Mr. Smith. They were not. Mr. Smith submitted the cost of the meals for reimbursement from his firm, Blank Rome, LLP. One of the parameters of the personal friendship exception is that the donor personally paid for the gift. Here, Mr. Smith did not personally pay for the meals, rendering the meals unacceptable under the personal friendship exception to the gift rule. The ISC recommends that the Committee direct Representative Young to repay Blank Rome, LLP, \$269.45.

In 2005, C.J. Zane provided Representative Young two meals and two rounds of golf totaling \$161.43 in value. Two of the meals, and one of the rounds of golf were valued at less than \$50. The other round of golf was valued at \$50.01. Mr. Zane submitted the expenses for reimbursement from his lobbying firm, Blank Rome, LLP. Representative Young claimed he was permitted to accept the gifts under the personal friendship exception to the gift rule. Given the value of the gifts, Representative Young may have been able to accept them under this provision of the gift rule, but for the fact that Mr. Zane submitted each of the expenses for reimbursement from his lobbying firm. Nevertheless, Representative Young was permitted to accept the gifts valued under less than \$50 so long as the total value of the gifts he received from Mr. Zane in 2005 was less than \$100. Representative Young was permitted to accept the meal he received on January 5, 2005, from Mr. Zane valued at \$30.75 and the round of golf he received from Mr. Zane on May 9, 2010, valued at \$33.10. Because the value of the meal he received from Mr. Zane on July 12, 2005, totaling \$47.57, would have exceeded the annual less than \$100 limit for gifts provided under the general provision of the Gift Rule, the meal was impermissible. Finally, Representative Young was not permitted to accept the round of golf he received from Mr. Zane on October 10, 2005, valued at \$50.01 because it exceeded the less than \$50 rule. The ISC Recommends that the Committee require Representative Young repay Blank Rome, LLP, a total of \$97.58 which reflects the cost of the July 12, 2005 meal and the October 10, 2005 round of golf.

I. Financial Disclosure Statements

House Rule XXVI, clause 2 provides the EIGA “shall be considered Rules of the House as they pertain to Members, Delegates, the Resident Commissioner, officers, and employees of the House.” The EIGA, codified at 5 U.S.C. app. 4 § 101 *et seq.*, provides that Members, officers, and certain staff of the House are required to file an annual Financial Disclosure Statement. The EIGA also requires candidates for federal office to file a Financial Disclosure Statement while they are a candidate. The EIGA, at Section 102(a), describes the information that must be included in the Financial Disclosure Statement. Section 102(a)(6)(A) requires a filer to include “[t]he identity of the source, a brief description, and the value of all gifts

aggregating more than the minimal value as established by section 7342 (a)(5) of title 5, United States Code.”³²⁰

Representative Young asserted he was not required to report certain of the gifts he submitted to be reviewed by the Committee because either he believed the value of the gifts did not reach the threshold reporting requirement, or he believed that he simply was not required to report the gift. For the other gifts, Representative Young acknowledged that he was required to report the gifts, and that he had failed to do so.

Notwithstanding whether any of the described trips and gifts Representative Young accepted were in fact permissible, he was required to report any of the trips or gifts that exceeded the applicable threshold amount from any single source during the reporting year on his annual Financial Disclosure Statement, except those that the ISC determined to be gifts of personal hospitality. The ISC recommends that the Committee direct Representative Young to amend his Financial Disclosure Statements to report any gifts which were required to be reported, irrespective of their permissibility, consistent with the valuations and determinations made in Parts C, D, and E above.

J. False Statements

The ISC’s jurisdiction included allegations that Representative Young had made false statements to federal officials. 18 U.S.C. § 1001 states that any person in matters before a branch of the government of the United States, including the legislative branch, who “knowingly and willfully - (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact; (2) makes any materially false, fictitious, or fraudulent statement or representation . . . ” has committed a felony, punishable by imprisonment. Put simply, the ISC found no basis to conclude that Representative Young made any knowingly false statements at any point during either DOJ’s investigation or the Committee’s inquiry.

K. Determining the Appropriate Sanction

Under Committee rules, an ISC, upon the completion of its inquiry, has two basic options for moving forward. It may adopt a Statement of Alleged Violation,³²¹ which is a necessary predicate (absent a waiver by a respondent of his rights under the Committee rules³²²) for an adjudicatory subcommittee³²³ and a recommendation by the Committee for a sanction on the floor of the House.³²⁴ If the ISC does not adopt a Statement of Alleged Violation, it must transmit a report to the Committee summarizing the information received during the inquiry, the

³²⁰ 5 U.S.C. app. 4 § 102(a)(2)(A). The statute excepts, *inter alia*, gifts of personal hospitality from the reporting requirement.

³²¹ Committee Rule 19(f).

³²² Committee Rule 21(c), 26(b).

³²³ Committee Rule 23(a).

³²⁴ Committee Rule 24(e).

ISC's rationales, and any recommendations.³²⁵ Because a letter of reproof – unlike expulsion, censure, reprimand, or fine – does not require a vote by the House,³²⁶ the ISC may recommend that the Committee issue a letter of reproof to a respondent without adopting a Statement of Alleged Violation.

The ISC has taken the latter course in this case because, while it believes that the more serious penalties involving action by the House are unnecessary, it nevertheless believes Representative Young should be reproofed for his actions. While the ISC did not find sufficient evidence to form a substantial reason to believe that Representative Young intentionally accepted improper gifts, or intentionally converted campaign funds to his personal use, or otherwise acted in bad faith, the ISC is concerned about the lack of due care he exercised in determining the propriety of his travel.

In *The Matter of Allegations Relating to Representative Shelley Berkley*, the Committee issued a report that reproofed Representative Berkley for actions she and her staff took on matters in which her husband had a financial interest.³²⁷ The *Berkley* ISC concluded that the violations in that case were based on a “mistaken impression” regarding the rules.³²⁸ It nevertheless recommended reproof, because “much of the problematic conduct in her office can be traced to the lack of any discernible policy with respect to conflicts of interest, or a procedure for interactions with [her husband].”³²⁹

In *The Matter of Representative Maxine Waters*, the Committee issued a letter of reproof to Representative Waters’ Chief of Staff based on actions he took on matters in which Representative Waters had a financial interest.³³⁰ The Committee took this action after it had concluded that the Chief of Staff took certain actions after he knew or should have known of the conflict.³³¹

Similarly, the Committee admonished Representative Rangel as a result of its inquiry in *Carib News*, because of evidence that he should have known that the travel expenses were not properly represented on pre-travel disclosures, and that the trips would not have been approved had they been properly described to the Committee.³³²

³²⁵ Committee Rule 19(g).

³²⁶ Compare Committee Rule 24(e) with Committee Rule 10(a)(5), 24(d).

³²⁷ House Comm. on Ethics, *In the Matter of Allegations Relating to Representative Shelley Berkley*, H. Rep. 112-716, 112th Cong. 2d Sess. 4 (2012).

³²⁸ *Id.* at 49.

³²⁹ *Id.* at 48.

³³⁰ House Comm. on Ethics, *In the Matter of Representative Maxine Waters*, H. Rep. 112-690, 112th Cong. 2d Sess. 2 (2012).

³³¹ *Id.* at 2.

³³² *Carib News* at 2-3, 126.

The evidence of Representative Young's state of mind in this case, like those of Representative Berkley and her staff, does not reveal a Member intentionally skirting the spirit and letter of the Code of Conduct. Rather, both cases appear to represent a careless approach to the rules in question. While Representative Young does not appear to have directly sent or received much – if any – of the contemporaneous correspondence or materials regarding his travel, the circumstantial evidence indicates that he was, at best, blithe with respect to the question of gift rule compliance. The ISC discovered evidence of this casual attitude in at least three respects.

First, Representative Young and his staff failed, on a number of occasions, to engage in any meaningful oversight with respect to the propriety of travel. Representative Young's campaign paid for the 2006 Mariposa Ranch trip on the basis of its status as a fundraiser, when the cost of participating exceeded the suggested donation by 300% in the draft invitation, and so could hardly be expected to net any funds.³³³ Representative Young, Mrs. Young, and Mr. Anderson stayed in Chama Lodge for three extra days after the cancelled fundraiser with Representative Wilson.³³⁴ Representative Young accepted "personal hospitality" at Savannah Dhu, when he should have known from personal experience that the lodge was used for business purposes.³³⁵ A reasonable compliance program – wherein staff and Representative Young would evaluate travel prior to departure and ensure its conformance with the rules – would have caught these errors. This is not a situation in which the legal infirmity of the trips was hidden or arcane; it existed in plain sight and was not avoided.

Second, to the extent that Representative Young's *post hoc* explanations of his travel demonstrate his thought process regarding compliance with the Code of Conduct, they make plain that he failed to approach the task with rigor. For example, Representative Young justified four trips – two to Savannah Dhu, and two to Kodiak Sportsman's Lodge – based on an exception to the gift rule that does not exist.³³⁶ This is not a reasonable difference of opinion on the nature of the rules; this is, at best, a grievous error in interpretation. It smacks of inattention and carelessness. As noted throughout this Report, the structure of the gift rule makes the identification of applicable exceptions crucial to the gift's acceptance. Failing to identify the *proper* exception might be the result of innocent misunderstanding, but failing to stick to the text of the rule itself can only result from a decision not to read it at all.

Third, even in cases where Representative Young identified potentially applicable exceptions to the gift rule, he failed to follow through on their requirements. In particular, Representative Young accepted a number of gifts from personal friends that were plainly beyond the threshold requiring Committee pre-approval.³³⁷ The Committee's guidance on that point has been clear and unequivocal.³³⁸ Representative Young's failure to follow through on those points,

³³³ See *supra* Part III.C.2.

³³⁴ See *supra* Part V.G.1.

³³⁵ See *supra* Part V.H.1.

³³⁶ See *supra* Part V.H.3.

³³⁷ See *supra* Parts V.F.5-6.

³³⁸ See *supra* n. 248-250 and accompanying text.

while it does not demonstrate an active desire to thwart the gift rule or avoid the Committee's oversight, appears to indicate that he did not exercise the care the House expects of Members to follow not only the letter of the rule (which was not followed in these circumstances) but also its spirit.

In some recent cases involving improper gifts and incomplete Financial Disclosure Statements, the Committee has limited its disposition of the matter to restitution and amendment. For example, the ISC in *Carib News* directed four of the five Members to repay the cost of the improper travel, but did not sanction them further.³³⁹ The ISC noted that the improper travel of those four Members was not a knowing violation of the rules, in part because the sponsor gave them false information.³⁴⁰ In *Schmidt*, the Committee found that Representative Schmidt should not be sanctioned for violating the gift rule, beyond repaying the value of the gift, because she did not have notice that a third party was paying her legal fees while litigation was ongoing.³⁴¹

Representative Young might argue, given this precedent, that the Committee should go no further than to require a similar act of restitution on his part. But unlike those cases, Representative Young's failures were not occasioned by a reasonable misapprehension of the facts. He was not waylaid by dishonest sponsors, as in *Carib News*. Nor did he suffer from a lack of notice regarding details of his arrangements as they were happening, as in *Schmidt*.³⁴² The ISC has made clear elsewhere in this Report that there is no evidence to indicate that Representative Young actually intended to receive inappropriate gifts, or purposefully violated the rules regarding personal use of campaign funds, and pauses to do so again here. But there are a range of mindsets between completely innocent and unforgivably corrupt. Somewhere along that span sit Members who fail to exercise care that a reasonable Member would exercise in similar circumstances to ensure compliance with the Code of Conduct. And in cases where a Member fails to exercise that care – where they “should have known” like Representative Rangel in *Carib News*, or they “lack[ed]...discernable policies” for compliance like Representative Berkley – the Committee has consistently reprimanded the offending Members. Because Representative Young failed to exercise due care in this case, the ISC recommends that the Committee issue a letter of reproof to him as well.

³³⁹ *Carib News* at 2.

³⁴⁰ *Id.* at 135.

³⁴¹ *Schmidt* at 18. *See also*, House Comm. on Ethics, *In the Matter of Allegations Relating to Representative Vernon G. Buchanan*, H. Rep. 112-588, 112th Cong. 2d Sess 2 (2012) (Committee concluded no further action was warranted where Representative Buchanan had “remedied” errors in his Financial Disclosure Statements by amendment.).

³⁴² Representative Young contends that, with respect to the 2007 Mariposa Ranch trip, his campaign was never invoiced for the expenses incurred by either SK Corporation or Willbros. *See supra* Part V.E.2. While this might appear similar to the lack of bills in *Schmidt*, the two matters are distinguishable. First, even if Representative Young's campaign had been invoiced for the expenses incurred, and paid those invoices, that payment would nevertheless have been an improper disbursement of campaign funds for personal use. Second, Representative Schmidt not receiving bills for ongoing services is entirely different than Representative Young not receiving an invoice for services nearly six years after the services were complete.

VI. CONCLUSION

Members of the House of Representatives have traveled in the course of their tenure since the northwest and southwest corners of the Capitol grounds housed stables for horses.³⁴³ A certain amount of travel – back and forth from their home districts to Washington, stops to raise money as candidates, excursions to understand issues related to their legislative responsibilities, and perhaps a vacation or two with family and friends – is inevitable. Still, the regulation of that travel, to avoid a Member’s unjust enrichment, is among the Committee’s most constant efforts. The Committee notes in its guidance that “travel may be among the most attractive and expensive gifts, and thus before accepting travel, a Member, officer, or employee should exercise special care to ensure compliance with the gift rule and other applicable laws, rules, and regulations.”³⁴⁴ Over the course of the previous Congress, the Committee reviewed 3,564 requests to accept privately-sponsored officially-connected travel, meticulously detailing whether such trips were appropriate under House rules.³⁴⁵

Representative Young took at least 25 trips from 2001 through the present, to destinations where he either engaged in recreational hunting, or had the ability to do so. On its face, this travel schedule raises the specter of lavish junkets, the sort of travel the rules and regulations were designed to prohibit. Further investigation revealed that this characterization was not so simple. Some of the travel expenses were indeed appropriate under the rules. Others may or may not have been proper, but delays – attributable in equal part to DOJ, Representative Young, and previous iterations of this Committee – left this ISC without sufficient evidence to render a conclusion. Indeed, time eroded much of the evidence that would point in one direction or another with respect to the critical question of Representative Young’s good faith; at this stage the ISC cannot recommend a finding that Representative Young purposefully or corruptly accepted any of the gifts detailed in this Report. Nevertheless, the question of Representative Young’s state of mind is irrelevant to whether improper gifts must be repaid. They must. Accordingly, we recommend that the Committee direct Representative Young to repay the gifts as described and valued above, totaling \$59,063.74, to his campaign and the private donors. The ISC also recommends that the Committee direct Representative Young to amend his Financial Disclosure Statements to remedy these omissions.³⁴⁶

Moreover, it is the opinion of this ISC that, while Representative Young should not face House sanction for this matter (given its lengthy chronology, and the lack of evidence of corrupt intent), his actions demonstrated a lack of appropriate safeguards and an inattention to the relevant standards of conduct. Accordingly, the ISC recommends that the Committee issue Representative Young a letter of reproof.

³⁴³ Architect of the Capitol, <http://www.aoc.gov/history/capitol-grounds> (last visited April 29, 2014).

³⁴⁴ 2008 *House Ethics Manual* at 87.

³⁴⁵ House Comm. on Ethics, *Summary of Activities: One Hundred Twelfth Congress*, H. Rep. 112-739, 112th Cong. 2d Sess. at 19 (2012). This figure does not include travel expenses paid on the basis of personal friendship, or travel paid by a campaign fund, which likely comprises thousands more trips each year.

³⁴⁶ This would not require a reporting of any trips properly paid for by Representative Young’s campaign.