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ONE HUNDRED TWELFTH CONGRESS

U.S. House of Representatives

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STATEMENT OF THE CHAIRMAN AND RANKING MEMBER OF THE COMMITTEE ON ETHICS REGARDING REPRESENTATIVE DON YOUNG

Pursuant to Committee Rule 7(d) and 7(g), the Committee on Ethics (Committee) determined on December 14, 2011, to release the following statement:

On October 13, 2011, the Committee received a referral from the Office of Congressional Ethics (OCE) regarding twelve \$5,000 contributions to Representative Don Young's legal expense trust fund (LEF). The Committee, pursuant to Committee Rule 18(a), conducted a further review of the matter as recommended by OCE. Following the conclusion of the Committee's further review, the Committee unanimously voted on December 14, 2011, to release a public Report finding that Representative Young did not violate any provision of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct with respect to the receipt of these contributions.

According to the OCE referral, twelve corporations owned and operated by the same group of individuals each made \$5,000 contributions to Representative Young's legal expense trust fund. OCE concluded that if the twelve contributions came from a single source, the contributions may have exceeded the annual \$5,000 contribution limit provided for in House Rules and Committee regulations.

The Committee's review of the matter indicated that the twelve companies that contributed to Representative Young's legal expense trust were in fact owned by Gary Chouest, his wife, and his five children, or some combination of those seven individuals. However, each company was a distinct legal entity that was separately registered with the Louisiana Secretary of State a number of years before the contributions in question were made. The companies provide different services or products related to the maritime industry and each company has a unique tax identification number. Therefore, the Committee found that the companies were, in fact, separate legal entities and that the 1996 LEF Regulations clearly permitted contributions from multiple entities owned by the same individual or individuals.

Because the contributions by the twelve LLCs were permissible under the Committee's 1996 LEF Regulations, the Committee dismissed the allegations in the OCE referral. However, the Committee is concerned that the identical ownership of the twelve entities challenges the principles of the contribution limits of the 1996 LEF Regulations. To that end, the Committee

has simultaneously adopted revised LEF Regulations that, among other changes and clarifications, attributes contributions by certain types of entities, such as LLCs, to the owners of those entities. The revised LEF Regulations will take effect on January 1, 2012, and will apply to all existing legal expense funds and all legal expense funds approved by the Committee in the future.

Pursuant to Committee Rule 17A(c)(2), the Committee on Ethics hereby publishes the attached Report, which includes OCE's Report and Findings regarding Representative Young and Representative Young's response.

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