

# **APPENDIX 2**

BEFORE THE COMMITTEE ON ETHICS  
OF THE  
UNITED STATE HOUSE OF REPRESENTATIVES

In The Matter of Allegations Relating  
To Representative Roger Williams

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**JOINT RESPONSE FROM REPRESENTATIVE ROGER WILLIAMS AND  
WILLIAMS CHRYSLER, LTD. D/B/A ROGER WILLIAMS AUTOMALL**

**I. INTRODUCTION**

This matter was initiated by a letter from the Campaign Legal Center sent to the House Committee on Ethics (the “Committee”) and the Office of Congressional Ethics (“OCE”).<sup>1</sup> The letter, while admitting the rules governing the issue at hand are vague, bases its allegations against Representative Roger Williams on nothing more than misguided assumptions and an exceptionally rigid and impractical application of the ethical rules governing Members. When Representative Williams offered his amendment (“Amendment 819”) to H.R. 22, the surface transportation reauthorization legislation, he did so ethically, without any improper motivations, and without any desire or possible effect of personal gain.

**II. BACKGROUND**

On November 4, 2015, Representative Williams offered an amendment to H.R. 22 to clarify that its provision regarding the restrictions on renting vehicles with a safety recall notice only applies to businesses that are actually engaged in the business of renting cars.<sup>2</sup> He did so because he’s a “second-generation car dealer”<sup>3</sup> and knows firsthand how the bill, as it was originally written, could be misconstrued to affect the 16,000-plus car dealerships across the

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<sup>1</sup> See <http://www.campaignlegalcenter.org/sites/default/files/Ltr%20to%20HEC%20and%20OCE%20re%20Rep%20Williams.pdf>.

<sup>2</sup> H. Amdt. 819, 114th Cong. (2015). Specifically, Amendment 819 was a one-word amendment inserting “primary” before the phrase “engaged in the business of renting covered rental vehicles” in order to exempt entities such as automotive dealers who rent cars from the provision.

<sup>3</sup> 161 CONG. REC. H7721 (daily ed. Nov. 4, 2015) (statement of Rep. Williams).

country.<sup>4</sup> This amendment reflected the position of the automobile dealer's trade association, which had requested that Representative Williams offer the amendment. Notwithstanding the fact that he owns one of those 16,000-plus dealerships (the "Dealership"), the economics of his Dealership's loaner vehicle program demonstrate that Representative Williams did not expect to receive any financial benefit from the passage of Amendment 819.

#### A. HISTORY OF AMENDMENT 819

During the initial consideration of H.R. 22, Representative Williams and his staff were encouraged by the National Automotive Dealers Association ("NADA") to offer Amendment 819. NADA did so because there was a great deal of uncertainty on the status of the relevant provision in H.R. 22, and they knew Representative Williams understood the issue and was the perfect spokesperson for a proposal to limit the safety recall restriction on such short notice. No one involved at the time—not Representative Williams, not his staff, not NADA—had any reason to contemplate the possibility that this ordinary legislative effort could somehow be interpreted as unethical conduct by virtue of the basic fact that Representative Williams owns an automotive dealership. Rather, his motivation for offering Amendment 819 was simply to provide a commonsense clarification to poorly written legislation.

The true origin of Amendment 819 began with an email from Michael Harrington of NADA to Sean Dillon, Representative Williams's legislative director, on the morning of October 29.<sup>5</sup> A few hours later, Mr. Dillon asked J. Spencer Freebairn, Representative Williams's Deputy Chief of Staff, to contact Mr. Harrington to discuss issues surrounding H.R. 22.<sup>6</sup> Mr. Freebairn did so, and by that afternoon NADA had sent proposed language for Amendment 819 to him.<sup>7</sup> Subsequently, Mr. Freebairn and Mr. Harrington emailed over the next few days in the lead-up up to H.R. 22's consideration. This process entailed Representative Williams agreeing to offer Amendment 819,<sup>8</sup> filing the amendment with the Rules Committee,<sup>9</sup> and a Rules Committee determination to allow its consideration. Because this was somewhat of an "unusual process,"<sup>10</sup> there was great uncertainty whether Amendment 819 would even be needed and, if so, whether or not it would allowed on the Floor.<sup>11</sup> Once the Rules Committee determined that Amendment 819 could be considered, Representative Williams met with Mr. Harrington to further discuss legislative strategy.<sup>12</sup> All of this happened in a relatively

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<sup>4</sup> See <http://www.nada.org/about/>. There are also approximately 1,300 franchised auto dealerships in the State of Texas. <http://www.tada.org/web/Online>.

<sup>5</sup> Appendix D, Sean Dillon emails, p. 8.

<sup>6</sup> Appendix D, Spencer Freebairn emails, p. 7-8.

<sup>7</sup> Appendix D, Spencer Freebairn emails, p. 48.

<sup>8</sup> Appendix D, Spencer Freebairn emails, p. 44.

<sup>9</sup> Appendix D, Spencer Freebairn emails, p. 39.

<sup>10</sup> Appendix D, Spencer Freebairn emails, p. 49.

<sup>11</sup> Appendix D, Sean Dillon emails, p. 5.

<sup>12</sup> Appendix D, Spencer Freebairn emails, p. 19.

compressed schedule for such a massive piece of legislation, and never once were questions raised about any impropriety with respect to Representative Williams's involvement.<sup>13</sup>

Amendment 819 was eventually adopted by the House of Representatives by a voice vote and was included in the bill that went to conference committee;<sup>14</sup> however, the language of Amendment 819 ultimately was not included in the final bill because it was struck in conference. Instead, the minimum car requirement contained in the relevant portion of the legislation was increased from 4 to 35, which was the language that was ultimately signed into law.<sup>15</sup> Even at this point, no one involved suspected that any of this had been questionable activity. In fact, Representative Williams continued to stand by his actions publicly.<sup>16</sup> It wasn't until Vince Zito, Representative Williams's Communication Director, was contacted by a reporter from the Fort Worth Star-Telegram that the potential issue was raised.<sup>17</sup> That reporter had read allegations contained in an article written by the organization known as "the Center for Public Integrity,"<sup>18</sup> and it was this article that also spurred the CLC to write its letter alleging impropriety.<sup>19</sup>

## B. THE ECONOMICS OF RENTAL AND LOANER VEHICLES AT THE DEALERSHIP

As a preliminary matter, it is simply not true that Representative Williams's actions of offering and supporting Amendment 819 "would benefit his own business."<sup>20</sup> In fact, the Dealership makes no profit (i) from facilitating rental vehicles or (ii) in offering loaner vehicles for its customers.

With respect to rental vehicles provided to customers, such rentals are provided at either the customer's own expense, covered and paid for by Fiat Chrysler Automobiles ("FCA"), or covered and paid for by an extended warranty company.<sup>21</sup> In these instances, the Dealership only provides the convenience of a relationship with a nearby rental company, Enterprise Rental, and at a special rate that is given to dealerships established by an agreement between FCA and Enterprise: \$30 per day, taxes included.<sup>22</sup> The Dealership does not mark up rental fees for profit.<sup>23</sup> If a customer is still covered by FCA or has an extended warranty, then the Dealership facilitates the rental by arranging the services with Enterprise, paying the Enterprise bill on

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<sup>13</sup> Further, regardless of any allegations or innuendo, there were absolutely no communications between the Dealership and Representative Williams or his staff regarding H.R. 22 or Amendment 819.

<sup>14</sup> 161 CONG. REC. H7722 (daily ed. Nov. 4, 2015).

<sup>15</sup> Pub. L. No. 114-94, § 24109(b) (Dec. 4, 2015).

<sup>16</sup> See Maria Recio, *Texas Rep. Williams gets partial car dealer exemption in transportation bill*, McClatchy, Dec. 1, 2015).

<sup>17</sup> Appendix D, Spencer Freebairn emails, p. 4.

<sup>18</sup> *Id.*

<sup>19</sup> *See*

<http://www.campaignlegalcenter.org/sites/default/files/Ltr%20to%20HEC%20and%20OCE%20re%20Rep%20Williams.pdf>.

<sup>20</sup> *Id.*

<sup>21</sup> Appendix F, RE Rental/Loaner Vehicle Information.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

behalf of the customer,<sup>24</sup> and adding the cost to the customer's bill to the Dealership.<sup>25</sup> The Dealership then receives a reimbursement from FCA or the extended warranty company, as applicable. If the Dealership does not get a reimbursement, it still pays Enterprise and takes the loss. In fact, more times than not, the Dealership pays for rental expenses exceeding what the warranty company allows, a scenario usually attributable to parts delays or shop scheduling.<sup>26</sup> If a customer is not covered by FCA or an extended warranty, the Dealership facilitates the rental by arranging the services with Enterprise, paying the Enterprise bill, and adding the actual cost to the customer's bill without mark-up.<sup>27</sup> Therefore, in the best case scenario, the Dealership will break even by facilitating rental vehicles for its customers.<sup>28</sup> In all others, the Dealership will lose money on facilitating rental vehicles.

With respect to loaner vehicles provided to customers, the Dealership has a fleet of eight loaners from their new inventory; four were purchased in 2014 and an additional four were purchased in 2015.<sup>29</sup> In contrast to the rental cars, where the Dealership hopes to break even in the best case scenario, the Dealership's loaner vehicles are provided to customers at a loss in every single instance. This is the case because the Dealership must pay all of the costs associated with the vehicle (*e.g.*, the carry costs, the insurance, maintenance, etc.), does not charge the customer to use the vehicle, and only occasionally recoups a small reimbursement from FCA for the use.<sup>30</sup> Again, customers are never charged by the Dealership or a third party. In 2015, the Dealership received approximately \$20,000 in 2015 in income for the loaner vehicles and spent at least \$60,000 on them.<sup>31</sup> Thus, the Dealership lost \$40,000 last year alone by offering this service to its customers. Granted, the service is aimed at creating goodwill between the Dealership and its customers, but simply put, the provision of loaner vehicles is not a profitable enterprise, regardless of the fleet size or whether any of the eight vehicles are on recall.

Ultimately, whether it's a rental vehicle or loaner vehicle provided to customers, the passage of Amendment 819 would have had zero bearing on Representative Williams's business interests. The result of limiting the application of the rental car provision in H.R. 22 resulted in no net financial benefit to the Dealership. The Dealership never makes money in facilitating rental vehicles, whereas offering loaner vehicles creates a small revenue stream from FCA reimbursements that is really offset by the significant costs of owning, using, and maintaining these vehicles.

Furthermore, we would be remiss if we focused solely on the Dealership's financial losses incurred by directing its customers to Enterprise for rentals or loaning out its own fleet

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<sup>24</sup> *Id.*

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> In reference to the website link stating "Rental Service." This is a format provided by Fiat Chrysler Automobiles ("FCA"). You will see it on most dealer websites.

<sup>29</sup> *Id.*

<sup>30</sup> Appendix F, RE Rental/Loaner Vehicle Information.

<sup>31</sup> Appendix F, LOANERS.

without also pointing out that it is disputable that the relevant provision in H.R. 22, in the absence of Amendment 819, would have even applied to the Dealership's fleet of loaner vehicles.<sup>32</sup>

### C. PROCEDURAL HISTORY

The CLC submitted its letter on November 23, 2015.<sup>33</sup> OCE initiated its review in this matter on January 5, 2016<sup>34</sup> and Representative Williams's, via counsel, submitted his response to the OCR request for information on March 1, 2016.<sup>35</sup> OCE voted to refer the matter to the Committee on April 22, 2016, and its report was transmitted to the Committee on May 13, 2016.<sup>36</sup> Representative Williams received notice that the Committee had authorized an investigation on June 24, 2016,<sup>37</sup> and the documents requested were delivered to the Committee on July 22, 2016.

### III. HOUSE RULES, LAWS, REGULATIONS, OTHER STANDARDS OF CONDUCT, AND ETHICS COMMITTEE PRECEDENT

The rules that are allegedly implicated by Representative Williams's actions are found in House Rule 23, Section 5 of the Code of Ethics for Government Service, and past Committee decisions.

House Rule XXIII, in relevant part, reads: "A Member . . . may not permit compensation to accrue to the beneficial interest of such individual from any source, the receipt of which would occur by virtue of influence improperly exerted from the position of such individual in Congress."<sup>38</sup> In short, a Member may not use his official position for personal gain.<sup>39</sup> Members must also adhere to the spirit of the rules and reflect creditably on the House.<sup>40</sup> Thus, they should "avoid situations in which even an inference might be drawn suggesting improper conduct."<sup>41</sup>

The *Ethics Manual* elaborates that Member actions "such as sponsoring legislation, advocating or participating in an action by a House Committee, or contacting an executive

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<sup>32</sup> See IV. Part A *infra*.

<sup>33</sup> See

<http://www.campaignlegalcenter.org/sites/default/files/Ltr%20to%20HEC%20and%20OCE%20re%20Rep%20Williams.pdf>.

<sup>34</sup> Appendix A, Williams SNR.

<sup>35</sup> Appendix A, 2016-03-01 RWilliams Ltr to OCE.

<sup>36</sup> See OCE Review No. 15-1202

<sup>37</sup> See Letter from Chairman and Ranking Member, House Committee on Ethics to Representative Roger Williams.

<sup>38</sup> House Rule XXIII, cl. 3.

<sup>39</sup> See 114 *Cong. Rec.* 8807 (April 3, 1968) (statement of Rep. Price).

<sup>40</sup> House Rule XXIII, cl. 1-2.

<sup>41</sup> *House Ethics Manual* at 27 (2008) (hereinafter *Ethics Manual*).

branch agency . . . entail degree of advocacy above and beyond that involved in voting.”<sup>42</sup> Thus, “a Member’s decision on whether to take any such action on a matter that may affect his or her personal financial interests requires added circumspection.”<sup>43</sup> Nevertheless, the *Ethics Manual* states that the Committee views potential issues based not only on the personal financial interest at stake, but also on the relative scope of the action. Thus, “Members who happen to be farmers may nonetheless represent their constituents in communicating views on farm policy to the Department of Agriculture.”<sup>44</sup> Where a Member’s actions would serve his own *narrow* financial interest, the Member is advised to refrain from acting.<sup>45</sup> To resolve close calls the Manual states, “the Member *should* first contact the Standards Committee for guidance.”<sup>46</sup>

In addition, the Code of Ethics for Government Service prohibits Members from accepting “favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.”<sup>47</sup> It also provides that those in government service should “never discriminate unfairly by dispensing of special favors or privileges to anyone, whether for remuneration or not.”<sup>48</sup> These provisions, unlike those in the House Rules, do not require proof of a connection between an official action and compensation to the acting Member.

The most recent matter in which the Committee handled similar allegations was *In the Matter of Allegations Relating to Representative Phil Gingrey*. There, the Committee concluded that Representative Gingrey had acted improperly and in violation of the Code of Government Ethics in his assistance to a community bank in which he held a significant financial interest.<sup>49</sup> In *Gingrey*, the Committee found two suspect acts by Representative Gingrey. First, Representative Gingrey co-signed a letter to the Secretary of the Treasury advocating for the disbursement of funds to banks on equal terms.<sup>50</sup> Second, he arranged meetings between bank representatives and other congressional offices and executive branch officials.<sup>51</sup> Both acts were prompted by, and at the behest of, the said community bank that Representative Gingrey had a financial interest in. Although the Committee found that his actions did not violate House Rule XXIII, clause 3, they determined that he did violate Section 5 of the Code of Ethics and clauses 1 and 2 of House Rule XXIII.<sup>52</sup>

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<sup>42</sup> *Id.* at 237.

<sup>43</sup> *Id.* at 314.

<sup>44</sup> *Id.*

<sup>45</sup> *Id.* at 237 (emphasis added).

<sup>46</sup> *Id.* (emphasis added).

<sup>47</sup> Code of Ethics for Government Service ¶ 5.

<sup>48</sup> *Id.*

<sup>49</sup> See House Comm. on Ethics, *In the Matter of Allegations Relating to Representative Phil Gingrey*, 113th Cong. 2nd Sess. (2014) (hereinafter *Gingrey*)

<sup>50</sup> *Id.* at 4.

<sup>51</sup> *Id.*

<sup>52</sup> *Id.* at 13.

Two other matters provide guidance on these issues: *The Matter of Representative Shelley Berkley* and *In the Matter of Representative Newt Gingrich*. In *Berkley*, the Member was alleged to have been in violation when she had required staff to inquire with the Veterans Administration (“VA”) about the status of reimbursement payments owed to her husband’s medical practice.<sup>53</sup> The Committee found she had violated House Rule XXIII, clause 3 and clause 2 of Section 5 of the Code of Ethics.<sup>54</sup> In *Gingrich*, the Committee found that the Member was not in violation of these provisions by intervening with federal agencies on behalf of a constituent campaign donor.<sup>55</sup>

#### IV. LEGAL ANALYSIS

##### A. THE LANGUAGE IN AMENDMENT 819 DOES NOT APPLY TO LOANER VEHICLES

The entire basis for this inquiry is founded on a simple misunderstanding. While the language of Amendment 819 applies only to “rental vehicles,” there has been a mistaken conflation of that term with “loaner vehicles.” Quite simply: Williams Auto Mall only offers the latter, not the former.<sup>56</sup> Thus, Representative Williams could not possibly have a personal or pecuniary interest in this amendment. Since he did not, he could not reasonably be in violation of the applicable rules by virtue of offering Amendment 819.

By its plain language, Amendment 819 and the relevant provision in H.R. 22 only apply to rental vehicles. “Rent” is defined as “[c]onsideration paid [usually] periodically, for the use or occupancy of property ([especially] real property).”<sup>57</sup> “Lend” is defined as “[t]o allow the temporary use of (something), sometimes in exchange for compensation, on condition that the thing or its equivalent be returned”<sup>58</sup> Although the two terms relate to the temporary grant of rights to a piece of property, the economic relationship at interest in them are inherently different. Renting requires compensation, while it is optional in regards to lending. And since renting and lending are distinct, a vehicle that is possessed for lending without compensation is not the same as a vehicle possessed for renting. Money is expected in return for renting an item, not necessarily so with lending. Amendment 819 dealt exclusively with rental vehicles; not vehicles to be lent without compensation.

The Dealership does not offer rental vehicles; it only facilitates rentals between its customers and a nearby Enterprise rental facility. That Enterprise facility would not have been

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<sup>53</sup> See House Comm. on Ethics, *In the Matter of Allegations Relating to Representative Shelley Berkley*, H. Rept. 112-716 2nd Sess. 49 (2012) (hereinafter *Berkley*).

<sup>54</sup> *Id.*

<sup>55</sup> See *Statement of the Comm. on Standard of Official Conduct Regarding Complaints Against Representative Newt Gingrich*, Mar. 8, 1990 (hereinafter *Gingrich*).

<sup>56</sup> See Appendix F, RE Rental/Loaner Vehicle Information.

<sup>57</sup> *Black’s Law Dictionary* 1322 (8th ed. 2004).

<sup>58</sup> *Black’s Law Dictionary* 921 (8th ed. 2004).

impacted by Amendment 819.<sup>59</sup> This is a key distinction, and because of it, it is apparent that Representative Williams would not have received a pecuniary benefit from Amendment 819's inclusion in the legislation. Contrary to the actual facts at hand, CLC's letter requesting an investigation by OCE and the Committee simply assumes that Amendment 819 applied to Representative Williams because he is an automotive dealer.<sup>60</sup> It is true that Amendment 819 affected automotive dealers who offered rental vehicles as a service, but contrary to the CLC's assumption, the Dealership does not.

Therefore, regardless of any other points that can be made regarding this inquiry, Representative Williams violated no provision of the Rules of House by virtue of his ownership of an automotive dealership. The Dealership does not offer rentals vehicles, and the amendment only implicated rental vehicles. Thus, neither Amendment 819, nor the relevant provision of H.R. 22 that it amended, applied to the Dealership, which forecloses any potential personal or pecuniary interest in Representative Williams's actions with respect to offering or advocating for Amendment 819.

B. REPRESENTATIVE WILLIAMS RECEIVES NO SIGNIFICANT FINANCIAL BENEFIT FROM OFFERING LOANER VEHICLES OR FACILITATING RENTAL VEHICLES

Even assuming, *in arguendo*, that Amendment 819 applied to the Dealership, Representative Williams receives no net financial benefit from offering loaner vehicles or facilitating rental vehicles at the dealership. Thus, he was not in violation of any applicable rules or code of ethics by offering and supporting the amendment.

The Dealership made approximately \$63,000,000 in gross revenue in 2015. Of this amount, approximately \$20,000, or 0.03%, came about from loaning the eight vehicles in its loaner fleet.<sup>61</sup> That revenue comes solely from a small reimbursement the Dealership receives from FCA and the tax offset that depreciation on the vehicles provides. Offsetting that \$20,000 revenue though, the eight vehicles cost the dealership at least \$60,000 in payments, fuel, and maintenance.<sup>62</sup> As stated earlier, the only reason the Dealership offers loaner vehicles is as a service to its customers. There is no profit to be earned in this service, and any goodwill that the service brings to the Dealership is intangible and impossible to calculate as a monetized amount.

Essentially, the inclusion of Amendment 819 to H.R. 22 had no real effect on Representative Williams's business interest in the Dealership. Again, it is disputable that the language of Amendment 819 even applied to the Dealership; even if it did, the impact on the

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<sup>59</sup> See fn. 28 *supra*.

<sup>60</sup> Granted, when Representative Williams spoke in support of Amendment 819, he too conflated rental vehicles and loaner vehicles and seemed to believe that the provision in question could affect dealerships offering loaner vehicles. Nevertheless, this was not the case and Representative Williams was also mistaken.

<sup>61</sup> Appendix F, FW Loaner Income 2015.

<sup>62</sup> Appendix F, LOANERS.

Dealership was negligible at best. Therefore, since clause 3 of House Rule XXIII requires some form of compensation to be present for a violation to occur,<sup>63</sup> any alleged violation on the part of Representative Williams is necessarily precluded. Although the Code of Ethics does not require compensation,<sup>64</sup> it is hard to imagine how Representative dispensed a special favor to the Dealership in this instance when the Dealership received nothing material by the inclusion of Amendment 819. Not only was the spirit of Representative Williams's amendment permissible and ethical given his own understanding and expectations, but his actions were also permissible and ethical even under a broad interpretation of the facts and applicable standards.

C. UNDER COMMITTEE PRECEDENT, REPRESENTATIVE WILLIAMS'S ACTIONS WERE ETHICAL

There is no Committee precedent for finding Representative Williams's amendment to be a violation of the House Rules or Code of Ethics. Further, a finding of this type would be an over-encompassing application of said rules and would severely limit Members' activities in the future.

In regard to clause 3 of House Rule XXIII, there is no evidence that Representative Williams took specific steps to advocate for a specific entity in which he had a financial interest. His offering of Amendment 819 was distinguishable from, and certainly less egregious than, the activity in *Berkley* (where a violation was found) and especially the activity in *Gingrey* (where no violation was found).

Representative Gingrey arranged meetings for representatives of a bank in which he held a financial interest. Even under these circumstances, in which he acted to assist representatives from an entity in which he had a financial interest to affect a policy that would affect that entity, the Committee determined there was no violation of this provision. The Committee determined that he was acting "as a member of a large class of community bank customers and investors."<sup>65</sup> In *Berkley*, the Member had staff inquire with the VA regarding the agency's lack of payments to her husband's medical practice, a much more definitive type of advocacy than what occurred in *Gingrey*.<sup>66</sup>

Given the Committee's analyses in the *Berkley* and *Gingrey* matters, it is apparent that Committee precedent requires there to be very specific advocacy on behalf of a specific entity for the Committee to find a violation of clause 3 of House Rule XXIII. In the instant matter, depending on whether H.R. 22 is read to apply to even apply to the Dealership, Representative Williams simply offered an amendment that was either (i) seemingly beneficial to the whole class of 16,000-plus automotive dealership owners and staff or (ii) beneficial to a subset of automotive dealership owners that provide rental vehicles, a class of dealers in which the

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<sup>63</sup> House Rule XXIII, cl. 3 ("A Member . . . may not receive compensation and may not permit compensation . . .").

<sup>64</sup> See generally Code of Ethics for Government Service ¶ 5, cl. 1 and c2.

<sup>65</sup> *Gingrey* at 13.

<sup>66</sup> *Berkley* at 49.

Dealership does not belong. Regardless of how one looks at the impact of Amendment 819 on the Dealership, the facts here are significantly more attenuated than the activities of Representative Berkley and those of Representative Gingrey.

Representative Williams's actions were also not consistent with the types of activities the Committee has found to be in violation of Section 5, clause 1 of the Code of Ethics. In the context of Section 5, clause 1, there have been two instances where the Committee has investigated circumstances that raised questions of impropriety, neither of which resulted in a finding that violation had occurred. In both instances, although a Member had a financial interest in a particular entity, the Committee found those entities were treated consistently as others by the Members.<sup>67</sup> Thus, there was no evidence of discrimination or special favors, which are required for a finding of a violation of this provision. In *Berkley*, the Committee found that the Member had not acted improperly when she had staff assist her husband's medical practice in obtaining VA payments because "she treated her husband as any other constituent."<sup>68</sup> Likewise, in *Gingrich*, the Committee found that no violation of this provision had occurred because, when the Member assisted a campaign donor, there was no evidence that it was done as a special favor.<sup>69</sup> On the other hand, in *Gingrey*, the Member was found in violation of this provision because he had treated the bank representatives differently than other non-constituents.<sup>70</sup>

Here, Representative Williams treated no one with special favors or privileges. He and his staff worked with a trade association in the same manner that he works with other trade associations that he generally agrees with to offer an amendment that he supported for pure policy reasons. Further, his action of offering an amendment is more attenuated to any potential financial interest as compared to the activities in *Berkley*, *Gingrich*, or *Gingrey*, instances where specific actions of advocacy were taken for specific entities.<sup>71</sup> Consistent with the reasoning and precedents established in these matters, Representative Williams cannot be found to be in violation of Section 5, clause 1.

Similarly, Representative Williams did nothing to violate Section 5, clause 2 of the Code of Ethics. That provision prevents a Member from accepting favors or benefits that could be construed as influencing performance of governmental duties even without a *quid pro quo*.<sup>72</sup> Nevertheless, the Committee has only found violations in instances where Members engaged in specific "case-work" style advocacy on behalf of entities in which the Member had a financial interest. In *Berkley*, the Investigative Subcommittee found the Member in violation because of the public perception of self-dealing in her advocacy to the VA for her husband's medical practice. Nevertheless, the Investigative Subcommittee's report went on to say that had she

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<sup>67</sup> See *Gingrey* at 14.

<sup>68</sup> *Berkley* at 54-55.

<sup>69</sup> *Gingrich* at 66.

<sup>70</sup> *Gingrey* at 14.

<sup>71</sup> Further, and to reiterate, Representative Williams, nor his staff, had absolutely no conversations about any of these activities with anyone at the Dealership. See fn. 13 *supra*.

<sup>72</sup> See *Gingrey* at 18.

“simply and solely engaged in policymaking aimed at more efficient claims processing by the VA, even though it would have benefitted her husband along with a number of other doctors, she would not have violated [Section 5].”<sup>73</sup> At worst, this is the exact type of activity that Representative Williams engaged when proposing Amendment 819. He did not offer the amendment in order to benefit the Dealership; but if appearance is the critical component of this provision, he did exactly what was deemed permissible in *Berkley*. He engaged in policymaking. Therefore, the Committee would have to countermand its previous guidance to find that Representative Williams violated Section 5, clause 2.

Finally, these allegations could implicate clauses 1 and 2 of House Rule XXIII, which requires members to reflect creditably on the House and adhere to even the spirit of the rules.<sup>74</sup> Representative Williams maintains that he acted appropriately in both the spirit and black letter of these rules. He had no indication that what he was doing could have possibly been perceived as unethical, and no one involved in crafting Amendment 819 suspected any potential issues, not even to the point of seeing the necessity of inquiring with the Committee on its propriety. When Representative Williams offered his amendment, he made it perfectly clear that he was doing so based on his experience in the automotive industry. He was not hiding this fact, and no other Members at the time, either in the Rules Committee or on the Floor, seemed to view this as a somehow discreditable act. In fact, the only entity that initially raised any concerns with Amendment 819 was the Center for Public Integrity, whose *raison d’etre* is to make allegation such as these regardless of validity. Regardless of their claims, when Representative Williams offered his amendment, he was entirely above board and ethical. His actions and motivations were clear, and his methods were pure. He was simply advocating a position based on his experiences, which he made clear, and offered the amendment and publicly supported it.<sup>75</sup> These are not the actions of someone attempting to financially profit from legislating or to appear to be acting improperly. Thus, Representative Williams abided by the spirit of the rules and brought no dishonor to the House of Representatives, and he did not violate clauses 1 or 2 of House Rule XXIII.

Nevertheless, if the Committee were to find Representative Williams in violation of any of these provisions because of his offering of Amendment 819, it would severely discourage other members from legislating in subjects in which they are most familiar. It would also be counter to the advice given in the *Ethics Manual* that permits Members who are farmers from advocating of farm policy.<sup>76</sup> The result would be a firm discouragement for any Member who had any business interests outside of Congress to engage in the basic legislative process.

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<sup>73</sup> *Berkley* at 56.

<sup>74</sup> House Rule XXIII, cl. 1 and cl. 2.

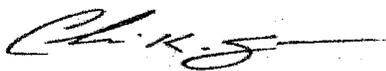
<sup>75</sup> While House Rules strongly suggest that a Member consult with the Committee regarding certain amendments, there is no requirement to do so. Even if he thought his amendment implicated the rule, which he does not, there was little time for Representative Williams to seek guidance. As said previously, Representative Williams reasonably and sincerely did not believe he was acting with any impropriety. Thus, he had no reason to seek the guidance.

<sup>76</sup> *Ethics Manual* at 314.

It is clear then that, under Committee precedents, Representative Williams did not violate any of the applicable ethical provisions. He did not take any action that the *Ethics Manual* prohibits.<sup>77</sup> Finally, he acted with a sincere belief that he was performing an ordinary and basic task of a legislator.

## V. CONCLUSION

For all the foregoing reasons, the Committee should find no wrongdoing on the part of Representative Williams's action surrounding Amendment 819. It is likely Amendment 819 was inapplicable to the Dealership since the provision of H.R. 22 dealt with rental vehicles, which the Dealership does not offer. The economics of the Dealership indicate a lack of any beneficial financial interest on the part of Representative Williams in regards to Amendment 819. Finally, all Committee precedent, both in instances where violations have been found and in instances where violations have been lacking, indicate that Representative Williams acted properly and in the normal course as a legislator. Therefore, Representative Williams asks the Committee to resolve this matter promptly with a determination that he was not in violation of any of the House Rules or relevant provisions of the Code of Ethics.



Chris K. Gober  
Counsel to Representative Roger Williams

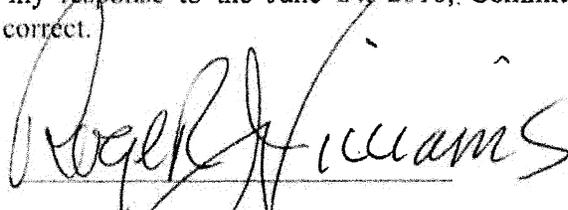
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<sup>77</sup> "Only when Members' actions would serve their own narrow, financial interests as distinct from those of their constituents should the Members refrain." *Id.*

Declaration

I, Representative Roger Williams, declare (certify, verify, or state) under penalty of perjury that the responses and factual assertions contained in the attached letter dated 7/22, 2016, relating to my response to the June 24, 2016, Committee on Ethics request for information, are true and correct.

Signature:



Name:

Representative Roger Williams

Date:

7/22, 2016

# **APPENDIX F**

**(APPENDIX 2)**

VEHICLE INFORMATION & DATE OF PURCHASE	TOTAL PMTS MADE AS OF 06-29-16	REPAIR COST	GRAND TOTAL
2015 CHRYLSER 200 [REDACTED] 9/30/2014	[REDACTED]	[REDACTED]	
2015 CHRYSLER 200 [REDACTED] 9/30/2014	[REDACTED]	[REDACTED]	
2014 CHRYSLER 300 [REDACTED] 10/31/2014	[REDACTED]	[REDACTED]	
2014 CHRYSLER 300 [REDACTED] 10/31/2014	[REDACTED]	[REDACTED]	
2015 CHRYSLER 200 [REDACTED] 1/2/2015	[REDACTED]	[REDACTED]	
2015 CHRYSLER 200 [REDACTED] 1/2/2015	[REDACTED]	[REDACTED]	
2015 CHRYLSER 200 [REDACTED] 1/2/2015	[REDACTED]	[REDACTED]	
2015 CHRYLSER 200 [REDACTED] 1/2/2015	[REDACTED]	[REDACTED]	
<b>TOTAL SPENT</b>	[REDACTED]	[REDACTED]	<b>95,013.69</b>

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

**PMTS MADE  
BY YEAR**

2015 CHRYLSER 200

[REDACTED]

9/30/2014

[REDACTED] [REDACTED]

2015 CHRYSLER 200

[REDACTED]

9/30/2014

[REDACTED] [REDACTED]

2014 CHRYSLER 300

[REDACTED]

10/31/2014

[REDACTED] [REDACTED]

2014 CHRYSLER 300

[REDACTED]

10/31/2014

[REDACTED] [REDACTED]

2015 CHRYSLER 200

[REDACTED]

1/2/2015

[REDACTED] [REDACTED]

2015 CHRYSLER 200

[REDACTED]

1/2/2015

[REDACTED] [REDACTED]

2015 CHRYLSER 200

[REDACTED]

1/2/2015

[REDACTED] [REDACTED]

2015 CHRYLSER 200

[REDACTED]

1/2/2015

[REDACTED]

GRAND TOTAL

2015 TOTAL

2016 TOTAL

[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

2015 CHRYLSER 200

[REDACTED]

9/30/2014

[REDACTED]

[REDACTED]

2015 CHRYSLER 200

[REDACTED]

9/30/2014

[REDACTED]

[REDACTED]

2014 CHRYSLER 300

[REDACTED]

10/31/2014

[REDACTED]

[REDACTED]

2014 CHRYSLER 300

[REDACTED]

10/31/2014

[REDACTED]

[REDACTED]

2015 CHRYSLER 200

[REDACTED]

1/2/2015

[REDACTED]

[REDACTED]

2015 CHRYSLER 200

[REDACTED]

1/2/2015

[REDACTED]

[REDACTED]

2015 CHRYLSER 200

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2015 CHRYLSER 200

[REDACTED]

1/2/2015

[REDACTED]

[REDACTED]

[REDACTED]

<u>VEHICLE INFORMATION &amp; DATE OF PURCHASE</u>	<u>TOTAL PMTS MADE AS OF 06-29-16</u>
2015 CHRYLSER 200 [REDACTED] 9/30/2014	[REDACTED]
2015 CHRYSLER 200 [REDACTED] 9/30/2014	[REDACTED]
2014 CHRYSLER 300 [REDACTED] 10/31/2014	[REDACTED]
2014 CHRYSLER 300 [REDACTED] 10/31/2014	[REDACTED]
2015 CHRYSLER 200 [REDACTED] 1/2/2015	[REDACTED]
2015 CHRYSLER 200 [REDACTED] 1/2/2015	[REDACTED]
2015 CHRYLSER 200 [REDACTED] 1/2/2015	[REDACTED]
2015 CHRYLSER 200 [REDACTED] 1/2/2015	[REDACTED]
<b>TOTAL</b>	[REDACTED]



2014 CHRYSLER 300

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2014 CHRYSLER 300

[REDACTED]

[REDACTED]

[REDACTED]

242241

0.00

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TOTAL 687.14

2015 CHRYSLER 200

[REDACTED]

[REDACTED]

2015 CHRYSLER 200

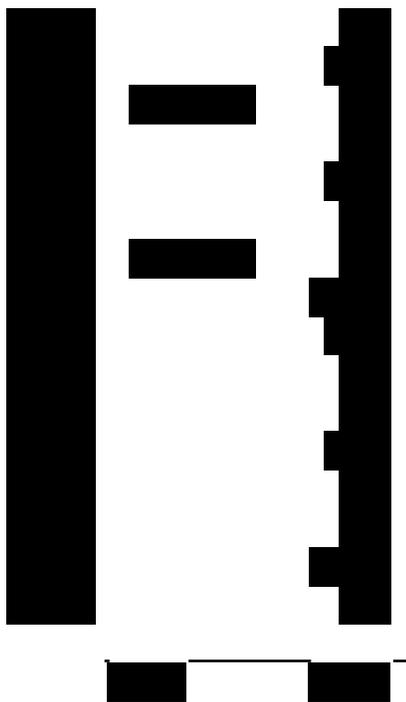
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[REDACTED]

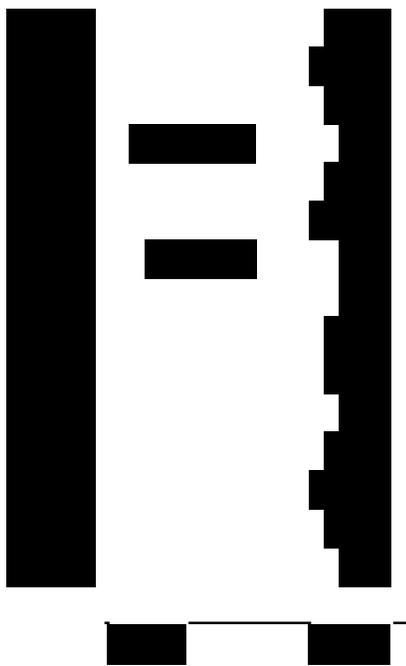
2015 CHRYLSER 200

[REDACTED]

[REDACTED]



2015 CHRYLSER 200



<u>VEHICLE INFORMATION</u>	<u>REPAIR COST</u>
2015 CHRYLSER 200 [REDACTED]	[REDACTED]
2015 CHRYSLER 200 [REDACTED]	[REDACTED]
2014 CHRYSLER 300 [REDACTED]	[REDACTED]
2014 CHRYSLER 300 [REDACTED]	[REDACTED]
2015 CHRYSLER 200 [REDACTED]	[REDACTED]
2015 CHRYSLER 200 [REDACTED]	[REDACTED]
2015 CHRYLSER 200 [REDACTED]	[REDACTED]
2015 CHRYLSER 200 [REDACTED]	[REDACTED]
<b>TOTAL</b>	[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

**TOTAL PMTS  
MADE AS OF 06-29-16**

---

**REPAIR  
COST**

---

**TOTAL**

---

2015 CHRYLSER 200

[REDACTED]

9/30/2014

[REDACTED]

[REDACTED]

[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

**TOTAL PMTS  
MADE AS OF 06-29-16**

---

**REPAIR  
COST**

---

**TOTAL**

---

2015 CHRYSLER 200

[REDACTED]

9/30/2014

[REDACTED]

[REDACTED]

[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

**TOTAL PMTS  
MADE AS OF 06-29-16**

---

**REPAIR  
COST**

---

**TOTAL**

---

2014 CHRYSLER 300

[REDACTED]

10/31/2014

[REDACTED]

[REDACTED]

[REDACTED]

<u>VEHICLE INFORMATION &amp; DATE OF PURCHASE</u>	<u>TOTAL PMTS MADE AS OF 06-29-16</u>	<u>REPAIR COST</u>	<u>TOTAL</u>
2014 CHRYSLER 300 [REDACTED] 10/31/2014	[REDACTED]	[REDACTED]	[REDACTED]

<u>VEHICLE INFORMATION &amp; DATE OF PURCHASE</u>	<u>TOTAL PMTS MADE AS OF 06-29-16</u>	<u>REPAIR COST</u>	<u>TOTAL</u>
2015 CHRYSLER 200 [REDACTED] 1/2/2015	[REDACTED]	[REDACTED]	[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

**TOTAL PMTS  
MADE AS OF 06-29-16**

---

**REPAIR  
COST**

---

**TOTAL**

---

2015 CHRYSLER 200

[REDACTED]

1/2/2015

[REDACTED]

[REDACTED]

[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

**TOTAL PMTS  
MADE AS OF 06-29-16**

---

**REPAIR  
COST**

---

**TOTAL**

---

2015 CHRYLSER 200

[REDACTED]

1/2/2015

[REDACTED]

[REDACTED]

[REDACTED]

**VEHICLE INFORMATION  
& DATE OF PURCHASE**

---

**TOTAL PMTS  
MADE AS OF 06-29-16**

---

**REPAIR  
COST**

---

**TOTAL**

---

2015 CHRYLSER 200

[REDACTED]

1/2/2015

[REDACTED]

[REDACTED]

[REDACTED]