

July 22, 2022

BY ELECTRONIC MAIL

The Honorable Theodore E. Deutch, Chairman
The Honorable Jackie Walorski, Ranking Member
Committee on Ethics
1015 Longworth House Office Building
Washington, D.C. 20515

Re: OCE Review No. 21-6367

Dear Chairman Deutch and Ranking Member Walorski:

We write on behalf of Congressman Tom Suozzi in response to the Office of Congressional Ethics (the “**OCE**”) report that was transmitted to the Committee on Ethics (the “**Committee**”) on February 28, 2022. That report alleges that the Congressman failed to file periodic transaction reports (“**PTRs**”) for certain stock transactions. As detailed below, each of the issues raised in that report has been fully addressed, and as such, Congressman Suozzi respectfully requests that the Committee dismiss the referral and take no further action.

In summary:

1. Since he entered Congress, the Congressman made every effort to disclose every reportable transaction on his *annual* financial disclosure statements. Until August 2021, he was unaware that his transactions also needed to be disclosed on PTRs.
2. Each of the Congressman’s annual statements was reviewed by Committee staff prior to their submission. Despite these statements listing stock transactions, Committee staff did not fully convey the PTR requirement to the Congressman or his accountant until 2021.
3. Once the Committee advised the Congressman’s accountant that he was required to file PTRs, the Congressman acted diligently to correct the mistake, hired counsel to complete a thorough audit of each of his disclosures, and implemented systems to help ensure his compliance going forward.

4. As noted in the OCE report, Congressman Suozzi and his accountant “cooperated fully” with OCE during its review and provided hundreds of pages of financial statements and transaction records.¹
5. The issues raised by the OCE Report have since been resolved and no additional action by the Committee is necessary.

This referral stems from a misunderstanding by the Congressman and his accountant of the financial disclosure requirements under the STOCK Act.² The Congressman’s investments are managed through independent advisors with full discretion over all transactions; the Congressman does not direct or control these transactions.

When Congressman Suozzi ran for Congress in 2016 and entered Congress in 2017, he instructed his accountant, Michael Norman, to prepare his financial disclosure statements. Over the course of the past five years that the Congressman has been in Congress, Mr. Norman and his staff prepared the Congressman’s annual financial disclosure statements and routinely sought and obtained advice from Committee staff on how to complete those statements. As explained further below, the Congressman has never intentionally withheld any information from his annual financial disclosure statements or PTRs. Rather, the Congressman takes his disclosure obligations seriously and believed that his statements were in full compliance.

In August 2021, during a routine pre-screen by Committee staff of the Congressman’s annual financial disclosure statement for calendar year 2020, Committee staff informed Mr. Norman and his staff of the requirement to file PTRs. The Congressman and Mr. Norman had not previously understood that transactions must be reported on both the annual statements and on PTRs. As soon as they became aware of the requirement, Mr. Norman immediately began preparing a corrective PTR, which Congressman Suozzi filed in September. Each of the transactions that were filed on that PTR had already been disclosed on the Congressman’s annual financial disclosure statements. After filing the PTR, the Congressman worked with Mr. Norman to implement internal systems to help ensure timely and accurate reporting of all future reportable transactions.

In October 2021, one month after the Congressman proactively filed the corrective PTR, OCE initiated a review into the Congressman’s financial disclosures. As noted in the referral, the Congressman and his accountant “cooperated fully with this review, including providing extensive financial statements and transaction records for his financial accounts[.]”³ Both the Congressman and his accountant sat for interviews with OCE, answered questions candidly and truthfully, acknowledged that they had not been aware there was a requirement to disclose his transactions on PTRs, and made clear that they never intentionally withheld information they believed needed to be disclosed.

¹ OCE Report at 15.

² OCE notes that this misunderstanding is common and may suggest the need for additional training and follow up with new Members. OCE Report at 14.

³ OCE Report at 15.

Even before they were aware of the PTR requirement, Congressman Suozzi and Mr. Norman had implemented thorough procedures to ensure that his annual financial disclosure statements were accurate and timely and that the statements disclosed the Congressman's transactions on Schedule B. To prepare those annual statements, Mr. Norman and his staff would compile the end-of-year financial statements for each of the Congressman's accounts and report the assets and transactions that they believed needed to be disclosed. Then, each year, Mr. Norman and his staff would send a draft report to the Committee to have it pre-screened as an added measure to make sure they were capturing and disclosing all of the necessary reportable information.

During the pre-screening process, Mr. Norman and his staff would frequently ask clarifying questions and respond to inquiries by the reviewing Committee staff. These communications demonstrate that Mr. Norman and his staff, on behalf of Congressman Suozzi, sought to fully comply with the disclosure requirements and were always forthcoming with Committee staff about the Congressman's financial portfolio. Unfortunately, despite submitting draft reports to Committee staff for review for four consecutive years, including three reports with stock transactions listed on Schedule B, Committee staff did not fully convey to Mr. Norman the need to file PTRs until the *fifth* year that they had the Congressman's annual reports pre-screened.

Although a member of Committee staff attempted to convey the PTR requirement during the August 2019 pre-screening process in an e-mail to a junior accountant who was formerly on Mr. Norman's staff, this correspondence was clearly not understood by the junior accountant and was never forwarded to Mr. Norman. Unfortunately, it was not discovered until Mr. Norman was collecting documents in response to an OCE request for documents. It is clear, based on the junior accountant's response to that e-mail, that she did not fully understand the PTR requirement referenced in the Committee staff's email or that it involved an ongoing reporting obligation. Committee staff did not reference the PTR requirement at all after pre-screening the Congressman's annual reports in 2018 or 2020, nor did Committee staff follow up with the Congressman or Mr. Norman regarding the PTR requirement after briefly mentioning the requirement to the junior accountant in 2019.

The Congressman remains fully committed to cooperating with the Committee as it completes its review of this referral. As the facts demonstrate, the Congressman has never intentionally withheld financial information he believed needed to be disclosed, and in fact, he went above and beyond to ensure his annual statements were in proper order by having the Committee pre-screen them. As soon as he learned of the requirement to disclose his transactions on PTRs, he and his accountant prepared a corrective PTR. Congressman Suozzi filed an additional corrective PTR based on OCE's review and is working with undersigned counsel to ensure that any necessary corrections to his filings have been made. He has also implemented procedures to thoroughly review all transactions on a monthly basis and has now filed at least six

timely PTRs.⁴ Congressman Suozzi has been fully forthcoming and transparent with both OCE and the Committee during this review and is committed to ensuring his annual statements and PTRs comply with the law.

For these reasons and based on the facts described herein, Congressman Suozzi respectfully requests that the Committee dismiss this matter and take no further action.

Please let us know if you require any further information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kate Sawyer Keane", written on a light blue background.

Kate Sawyer Keane
Rachel L. Jacobs
Dylon D. Busser

⁴ Rep. Suozzi, Periodic Transaction Report, filed Oct. 5, 2021; Rep. Suozzi, Periodic Transaction Report, filed Nov. 5, 2021; Rep. Suozzi, Periodic Transaction Report, filed Nov. 18, 2021; Rep. Suozzi, Periodic Transaction Report, filed Dec. 1, 2021; Rep. Suozzi, Periodic Transaction Report, filed Jan. 11, 2022; Rep. Suozzi, Periodic Transaction Report, filed Jan. 20, 2022.