

October 5, 2000

Statement of the Committee on Standards of Official Conduct

In the Matter of Representative E.G. "Bud" Shuster

By unanimous vote on October 4, 2000, the Committee on Standards of Official Conduct voted to sanction Representative E.G. "Bud" Shuster by issuing a Letter of Reprimand to him in connection with a Statement of Alleged Violation to which he has admitted as part of a negotiated settlement in this matter.

The Statement of Alleged Violation consists of one count setting forth that Representative Shuster engaged in a pattern of conduct, in five specific areas, that did not reflect creditably on the House of Representatives, in violation of Clause 1 of the Code of Official Conduct, former House Rule 43 (now Rule 24).

The Committee, through its Letter of Reprimand, notified Representative Shuster, that: "By your actions you have brought discredit to the House of Representatives."

On November 14, 1997, the Chairman and Ranking Minority Member of the Committee on Standards of Official Conduct established an Investigative Subcommittee pursuant to Committee Rule 17(c)(2) in this matter. Representative Joel Hefley served as Chairman of the Investigative Subcommittee and Representative Zoe Lofgren served as the Ranking Minority Member. Representative Jim McCrery and Representative Chet Edwards were the other two Members of the Investigative Subcommittee.

The Investigative Subcommittee's inquiry focused on the allegations in a complaint filed by the Congressional Accountability Project and expanded to include an examination of whether Representative Shuster's campaign committee violated House Rules and/or federal laws between 1993 and 1998. During the course of its inquiry the Investigative Subcommittee thoroughly investigated the allegations against Representative Shuster. The Subcommittee issued over 150 subpoenas, counsel interviewed approximately 75 witnesses and the Subcommittee deposed 33 witnesses. At the conclusion of the inquiry, the Investigative Subcommittee found substantial reason to believe that Representative Shuster had committed violations of House Rules within the Committee's jurisdiction. As detailed in its Report, the Investigative Subcommittee also resolved a number of the allegations against Representative Shuster without finding violations.

On July 26, 2000, the Investigative Subcommittee unanimously adopted a Statement of Alleged Violation finding that Representative Shuster had engaged in a pattern of conduct that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct, former Rule 43 of the House of Representatives. As part of a negotiated settlement Representative Shuster admitted,

under penalty of perjury, to the Statement of Alleged Violation. By voluntarily admitting to the Statement of Alleged Violation in this matter, Representative Shuster agreed that his conduct did not reflect creditably on the House of Representatives.

Also as part of the negotiated settlement, the Subcommittee agreed that it would recommend to the full Committee that the Committee impose a Letter of Reproval as the sanction in this matter. Representative Shuster waived both an adjudicatory hearing and a sanction hearing in this matter.

The Statement of Alleged Violation to which Representative Shuster admitted provides that his conduct did not reflect creditably on the House of Representatives in the following manner:

- He engaged in a pattern and practice of knowingly allowing Ann M. Eppard, his former chief of staff, to appear before or communicate with him in his official capacity, during the 12-month period following her resignation from his staff, in a manner that created the appearance that his official decisions might have been improperly affected.
- He violated House Gift Rules by accepting expenses from two sources related to a trip to Puerto Rico with his family in December 1995 and January 1996.
- He violated former House Rule 45 by authorizing and/or accepting the scheduling and advisory services of Ann M. Eppard, his former chief of staff, on matters that were official in nature for approximately 18 months after she resigned from his congressional office.
- While under his supervision and control, employees in his congressional office worked for his campaign committee to the apparent detriment of the time they were required to spend in his congressional office. While under his supervision and control, employees of his congressional office performed services for his campaign in his congressional office.
- The number and dollar amount of expenditures by his campaign committee for meals designated as "political meetings" and for transportation on chartered aircraft, combined with inadequate record-keeping practices to verify the legitimate campaign purposes of these expenditures, created the appearance that between 1993 and 1998 certain expenditures of his campaign committee may not have been attributable to bona fide campaign or political purposes.

A Letter of Reproval is a Committee imposed sanction. Unlike a reprimand, or other more severe sanction, a vote of the entire House of Representatives is not required for a Letter of Reproval to be imposed and published. But as the Committee, quoting from the Investigative Subcommittee's Report, stated to Representative Shuster in its Letter of Reproval : "[I]t should be emphasized that a Letter of Reproval itself is intended to be a rebuke of a Member's conduct issued by a body of that Member's peers acting, as the

Committee on Standards of Official Conduct, on behalf of the House of Representatives.’”

The Letter of Reproval from the Committee to Representative Shuster concludes: “[Y]ou have engaged in serious official misconduct through the violations to which you have admitted under penalty of perjury. Those violations cause this Committee formally and publicly to reprove you for conduct that reflected discredit on the House of Representatives and violated former House Rule 43, Clause 1.”

The Report of the Committee on Standards of Official Conduct on this matter will be transmitted to the House of Representatives. That Report contains the Letter of Reproval, the Statement of Alleged Violation, the 147 page Report of the Investigative Subcommittee adopted by the Committee (including 125 exhibits), and the Views submitted by Representative Shuster, through counsel, in response to the Subcommittee’s Report.

The Committee’s Report is currently available on the Committee’s web site at www.house.gov/ethics. Limited printed copies of the Committee’s Report, including Representative Shuster’s Views, and a CD-ROM version of the Report have been made available to the House press galleries. Bound copies of the Committee’s Report are expected to be available next week.

The Letter of Reproval issued by the Committee to Representative Shuster is attached to this Statement.