

C A M P A I G N F O R

ACCOUNTABILITY

June 21, 2018

BY FAX: 202-224-7416

Honorable Johnny Isakson, Chair
Honorable Christopher A. Coons, Vice Chair
U.S. Senate Select Committee on Ethics
220 Senate Hart Office Building
Washington, D.C. 20510

**RE: Request for Investigation of Senator Mike Crapo (R-ID) for
Violations of the Ethics in Government Act and Senate Rule 34**

Dear Chairman Isakson and Vice Chair Coons:

Campaign for Accountability (“CfA”) respectfully requests that the Senate Select Committee on Ethics (“Senate Ethics Committee”) investigate whether Senator Mike Crapo (R-ID) violated the Ethics in Government Act and Senate Rule 34 by willfully failing to disclose employer information for his spouse, Susan Crapo, when he filed his Financial Disclosure Report for Calendar Year 2017 with Secretary of the Senate on May 15, 2018.

Factual Background

Mike Crapo for U.S. Senate is the principal campaign committee for Senator Mike Crapo (R-ID). Freedom Fund is a nonconnected committee and leadership PAC. Senator Mike Crapo is the leadership PAC’s sponsor. Senator Crapo’s spouse, Susan Crapo, was employed throughout calendar years 2015 and 2016 by both Mike Crapo for U.S. Senate and the Freedom Fund to produce handmade gifts to be distributed to contributors at fundraising events for the two political committees. In 2017, the two committees together paid Susan Crapo nearly \$27,000 for the donor gifts she had made during the prior election cycle.¹ Mike Crapo for U.S. Senate paid

¹ Mike Crapo for U.S. Senate, FEC Form 3, 2017 April Quarterly Report, April 14, 2017, p. 68, *available at* http://docquery.fec.gov/cgi-bin/paper_forms/C00330886/1160124/; Mike Crapo for U.S. Senate, FEC Form 3, 2017 October Quarterly Report, October 13, 2017, p. 62, *available at* http://docquery.fec.gov/cgi-bin/paper_forms/C00330886/1189458/; Freedom Fund, FEC Form 3X, 2017 12-Day Pre-Special Election Report, Amended, August 2, 2017, p. 23, *available at* <http://docquery.fec.gov/cgi-bin/forms/C00390674/1163130/>; Freedom Fund, FEC Form 3X, 2017 Year-End Report, January 31, 2018, p. 38, *available at* <http://docquery.fec.gov/cgi-bin/forms/C00390674/1203325/>.

Susan Crapo \$20,581 during calendar year 2017² and the Freedom Fund paid her an additional \$6,276.³ According to the *Idaho Statesman*:

The money was for gift bags given to paying guests at the 2015 and 2016 Hook 'N' Bullet and Ski Fest fundraisers held near Sun Valley, Crapo's office told the Statesman. "The items created and provided by Susan Crapo for the gift bags during that time frame include homemade cinnamon bread; homemade raspberry and strawberry jam; neck pillows; homemade salsa; fleece/fur blankets; handcrafted semi-precious stone jewelry; pieced quilts; and homemade granola."⁴

Senator Crapo's annual Hook 'N' Bullet fundraiser was the subject of an earlier Federal Election Commission ("FEC") enforcement proceeding in which the FEC found that the Freedom Fund had failed to report nearly \$45,000 worth of in-kind contributions and required the payment of a civil penalty of \$12,600.⁵

Despite reporting to the Federal Election Commission that both Mike Crapo for U.S. Senate and the Freedom Fund had paid Susan Crapo during 2017, Senator Crapo failed to disclose that the Freedom Fund employed Susan Crapo on his Personal Financial Disclosure Form for 2017.⁶ This critical omission is all the more striking because Senator Crapo had disclosed Susan Crapo's employment by the Freedom Fund multiple times in previous years.⁷

Violations

By failing to disclose the identity of Susan Crapo's employer on his Personal Financial Disclosure Report for 2017, Senator Crapo violated both the Ethics in Government Act of 1978 and Senate Rule 34.

² Mike Crapo for U.S. Senate, FEC Form 3, 2017 April Quarterly Report, April 14, 2017, p. 68, available at http://docquery.fec.gov/cgi-bin/paper_forms/C00330886/1160124/; Mike Crapo for U.S. Senate, FEC Form 3, 2017 October Quarterly Report, October 13, 2017, p. 62, available at http://docquery.fec.gov/cgi-bin/paper_forms/C00330886/1189458/.

³ Freedom Fund, FEC Form 3X, 2017 12-Day Pre-Special Election Report, Amended, August 2, 2017, p. 23, available at <http://docquery.fec.gov/cgi-bin/forms/C00390674/1163130/>; Freedom Fund, FEC Form 3X, 2017 Year-End Report, January 31, 2018, p. 38, available at <http://docquery.fec.gov/cgi-bin/forms/C00390674/1203325/>.

⁴ Cynthia Sewell, *Idaho Statesman*, \$192,000 for his wife. 81 Uses of a lobbyist's home. Crapo election funds draw scrutiny, June 20, 2018, available at <http://www.idahostatesman.com/news/politics-government/state-politics/article212695139.html>.

⁵ Federal Election Commission, MUR 7052 (Freedom Fund).

⁶ Sen. Michael D. Crapo, Personal Financial Disclosure Form for 2017, filed May 15, 2018, available at <https://efdsearch.senate.gov/search/view/annual/36aab264-fad2-4e13-a964-d31d5f7c6498/>.

⁷ Sen. Michael D. Crapo, Personal Financial Disclosure Form for 2014, filed May 14, 2015, available at <https://efdsearch.senate.gov/search/view/annual/72784fa2-9d55-4b71-aa04-cbf7a674e024/>; Sen. Michael D. Crapo, Personal Financial Disclosure Form for 2013, filed May 15, 2014, available at <https://efdsearch.senate.gov/search/view/annual/29b23b92-074f-4d45-902e-e56da7294c4b/>.

Ethics in Government Act and Senate Rule 34

Title I of the Ethics in Government Act of 1978, as amended, 5 U.S.C. app § 101 *et seq.*, and Senate Rule 34 both require Members of the Senate to file annual financial disclosure reports with the Secretary of the Senate. These reports must include, *inter alia*, “the source of items of earned income earned by a spouse from any person which exceed \$1,000” during the preceding calendar year. 5 U.S.C. app. § 102(e)(1)(A). The Financial Disclosure Instructions for Calendar Year 2017 clearly informed Senator Crapo to “[r]eport the name and address of the source, type, and the actual amount of non-investment and earned income aggregating \$200 or more from any one source. For your spouse, report the name and address of the source and type of income, but not the amount.”⁸

It is unlawful for any person to knowingly and willfully fail to report any information that person is required to report under the Ethics in Government Act. 5 U.S.C. app. § 104(a)(2)(A)(ii). Such a violation of the Ethics in Government Act is punishable by a civil penalty of up to \$50,000. 5 U.S.C. app. § 104(a)(1).

Conclusion

Senator Crapo clearly violated the Ethics in Government Act of 1978 and Senate Rule 34 by failing to disclose that Susan Crapo was employed by his leadership PAC, the Freedom Fund, during calendar year 2017. The Senate Ethics Committee should open an investigation and take appropriate disciplinary action against Senator Crapo for violating Senate Rule 34. If the Senate Ethics Committee determines that Senator Crapo’s omission of this information was knowing and willful, the Committee should refer the matter to the Attorney General for further appropriate action, including the imposition of an appropriate civil penalty.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan E Stevens", with a long horizontal flourish extending to the right.

Daniel Stevens
Executive Director

⁸ U.S. Senate, Select Committee on Ethics, Financial Disclosure Instructions for Calendar Year 2017, page 12 (March 2018).