



FACT

FOUNDATION FOR
ACCOUNTABILITY
AND CIVIC TRUST

July 13, 2022

House Committee on Ethics
U.S. House of Representatives
1015 Longworth House Office Building (LHOB)
Washington, DC 20515

RE: Congressional Candidate Greg Landsman

Dear Committee Members,

The Foundation for Accountability and Civic Trust (FACT) is a nonprofit organization dedicated to promoting accountability, ethics, and transparency in government and civic arenas. We request the Committee immediately investigate Congressional candidate Greg Landsman for violating federal law and House ethics rules. Candidate Landsman apparently held a position as an officer and director of a corporation that he did not disclose on his personal financial disclosure statements.

Federal law and House ethics rules require House candidates and Members to publicly disclose information about their associations with organizations and finances.¹ The disclosure requirements are an integral part of an ethical and transparent government: accurate and timely filing is the only method for citizens to determine whether Members have conflicts of interest or are wrongfully profiting from their position.²

¹ 5 U.S.C. app 4 sec. 101-111 (disclosure requirements); sec. 102(a) (each report shall include a “full and complete” statement of assets, liabilities, income, gifts, travel); sec. 102(a)(5) (requirement for disclosure of financial transactions over \$1,000); House Rule 26.

In addition to the annual report, a Member must file a periodic report to disclose any financial transaction that exceeds \$1,000 within 30 days of notice of the transaction (but never more than 45 days after the transaction). *Id.*

² It is a foundational principal and embodied in numerous laws and ethics rules that Members “should not in any way use their office for private gain.” House Ethics Manual, at 1; *see also* House Ethics Manual, at 123-24 (Members cannot use official resources for any campaign or political purpose).

Under the public disclosure requirements, each House candidate or Member must report all non-federal positions (whether or not compensated) held with any organization.³ For instance, *any* position with any type of business or nonprofit organization must be reported, including positions described as an officer, director, trustee, partner, proprietor, representative, employee, or consultant—even if the position is uncompensated.⁴ Candidates and Members are instructed:

“Members, second-year candidates, and termination filers must report positions held at any time during the reporting period up to the date of filing. First-year candidates and new employee filers must report positions held at any time during the current calendar year up to the date of filing, plus the *two* prior calendar years. If you no longer hold the position, you may wish to indicate that fact parenthetically, but you still must report the position.”⁵

This federal law is extremely important, thus it is directly incorporated into House rules and Members are specifically informed of the law.⁶ Each Member and candidate has an affirmative duty to ensure compliance with the law. There is no excuse for inaccurate, incomplete, or late filings, and every violation has consequences.⁷

Contrary to this legal requirement, it appears Candidate Landsman failed to properly disclose his position as a “senior advisor” to Every Child Capital.⁸ In November 2021, it was

³ U.S. House of Reps. Comm. on Ethics, Instruction Guide, Filing Disclosure Statements and Periodic Transaction Reports, at 33-34 (Calendar Year 2020), available at: <https://ethics.house.gov/sites/ethics.house.gov/files/documents/CY%202020%20Instruction%20Guide%20for%20Financial%20Disclosure%20Statements%20and%20PTRs.pdf>.

“The reportable positions are: officer, director, trustee, partner, proprietor, representative, employee, and consultant. The reportable entities and organizations are: corporations, companies, firms, partnerships, limited liability companies, any other type of business enterprise, nonprofit organizations, labor organizations, educational institutions, any institution other than the United States.” *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ U.S. House of Reps. Rules (2019), r. 26, cl.2 (“For the purposes of this rule, the provisions of title I of the Ethics in Government Act of 1978 shall be considered Rules of the House as they pertain to Members, Delegates, the Resident Commissioner, officers, and employees of the House.”); U.S. House of Reps. Comm. on Ethics 116th Cong., *Memo Re. Reminder of STOCK Act Requirements, Prohibition Against Insider Trading & New Certification Requirement*, at 3 (June 11, 2020), available at: https://ethics.house.gov/sites/ethics.house.gov/files/wysiwyg_uploaded/STOCK%20Act%206.11.2020%20Final.pdf.

The law is both well publicized and part of ethics training for Members of Congress. *See, e.g.* U.S. House of Reps. Comm. on Ethics, *Training*, <https://ethics.house.gov/training>.

⁷ The Ethics in Government Act does not allow Members to break the law without consequence. *See, e.g.*, 5 U.S.C. app 4 sec. 104(a)(1) (providing for a civil penalty not to exceed \$50,000); sec. 104(a)(2) (making it unlawful for any person to knowingly and willfully fail to file or report any information required under section 102, with penalties of up to \$50,000 and imprisonment of not more than one year); sec. 104(d) (providing for a late filing fee of \$200); *see also* Committee on Ethics, U.S. House of Rep., available at <https://ethics.house.gov/financial-disclosure/general-information-about-financial-disclosure> (“A \$200 late filing fee shall be assessed against any individual who files more than 30 days after the due date of a report or amendment (or the due date of any extension).”).

⁸ Greg Landsman, Financial Disclosure Report, Clerk Of The House Of Representatives, filed Apr. 4, 2022, available at: https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2022/10044804.pdf.

reported that Landsman then served as a “senior advisor” to Every Child Capital.⁹ This organization describes itself as “a national model for philanthropic grant-making that borrows from approaches used in venture capital investing,” and it has public partners and is directed by an advisory board.¹⁰

Yet, on his first candidate financial disclosure report filed on April 4 and amended on April 13, 2022, Landsman did not list any positions.¹¹ The position of “senior advisor” is the type of position that must be reported and the actual title of the position is irrelevant. This statement was required to cover the current calendar year plus the prior two years, which would have included any positions he held from 2020 to the date of filing, including his “senior advisor” position.

This law is extremely important and it must be strictly enforced. The failure of candidates and Members to follow the most basic ethics rules leads to public distrust in our elected officials as a whole.¹² Moreover, the lack of any consequence for those who break this law leads to the public perception that the laws do not apply equally to all. The Committee must act to ensure compliance with the most basic ethics requirements and to maintain the public’s trust.¹³ We request the Committee investigate Candidate Landsman’s apparent inaccurate disclosure and impose any appropriate sanctions including fines and penalties.

Sincerely,

/s/Kendra Arnold

Kendra Arnold

Executive Director

Foundation for Accountability & Civic Trust

⁹ WLWT Digital Staff, *New Cincinnati City Council: Voters Elect 6 New Members*, WLWT, Nov. 2, 2021, available at: <https://www.wlwt.com/article/new-cincinnati-city-council-voters-elect-6-new-members/38140429#>.

¹⁰ Every Child Capital, accessed Jul. 8, 2022, available at: <http://www.everychildcapital.org/>.

¹¹ Greg Landsman, Financial Disclosure Report, Clerk Of The House Of Representatives, filed Apr. 4, 2022, available at: https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2022/10044804.pdf.

¹² See, e.g., Tim Mak, *TikTokers Are Trading Stocks By Copying What Members Of Congress Do*, NPR, Sept. 21, 2021, available at: <https://www.npr.org/2021/09/21/1039313011/tiktokers-are-trading-stocks-by-watching-what-members-of-congress-do> (discussing that a portion of the public has lost trust in government to the extent they believe Members’ stock trades are based on corruption and it would be financially beneficial to copy the Members’ trades).

¹³ U.S. House of Reps., Comm. on Ethics, *Instruction Guide Financial Disclosure Statements and Periodic Transaction Reports*, at 8 (Calendar Year 2021), available at: <https://ethics.house.gov/sites/ethics.house.gov/files/documents/FINAL%202021%20FD%20Instructions.pdf> (“The Committee on Ethics is required to review all FD Statements and PTRs to determine whether they are filed in a timely manner, appear accurate and complete, and comply with applicable laws and rules.”).