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1st Session

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HOUSE OF REPRESENTATIVES

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REPORT

118-__

IN THE MATTER OF ALLEGATIONS
RELATING TO REPRESENTATIVE
GEORGE SANTOS

R E P O R T
OF THE
COMMITTEE ON ETHICS



November 16, 2023.—Referred to the House Calendar and ordered
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ADOPTED BY THE COMMITTEE ON ETHICS ON NOVEMBER 14, 2023

**118TH CONGRESS, 1ST SESSION
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON ETHICS**

**IN THE MATTER OF ALLEGATIONS RELATING TO
REPRESENTATIVE GEORGE SANTOS**

NOVEMBER 14, 2023

Mr. GUEST, from the Committee on Ethics, submitted the following

REPORT

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Keelie Broom, *Counsel to the Chairman*

David Arrojo, *Counsel to the Ranking Member*

Janet M. Foster, *Senior Counsel*

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ONE HUNDRED EIGHTEENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON ETHICS

Thomas A. Rust
Staff Director and Chief Counsel

Keelie Broom
Counsel to the Chairman

David Arrojo
Counsel to the Ranking Member

1015 Longworth House Office Building
Washington, D.C. 20515-6328
Telephone: (202) 225-7103
Facsimile: (202) 225-7392

LETTER OF TRANSMITTAL

November 16, 2023

The Honorable Kevin F. McCumber
Acting Clerk, House of Representatives
H-154, The Capitol
Washington, DC 20515

Dear Mr. McCumber:

Pursuant to clauses 3(a)(2) and 3(b) of Rule XI of the Rules of the House of Representatives, we herewith transmit the attached report, “In the Matter of Allegations Relating to Representative George Santos.”

Sincerely,

Michael Guest
Chairman

Susan Wild
Ranking Member

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**118TH CONGRESS, 1ST SESSION
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON ETHICS**

**IN THE MATTER OF ALLEGATIONS RELATING TO
REPRESENTATIVE GEORGE SANTOS**

November 14, 2023

Mr. GUEST, from the Committee on Ethics, submitted the following

R E P O R T

In accordance with House Rule XI, clauses 3(a)(2) and 3(b), the Committee on Ethics (Committee) hereby submits the following Report to the House of Representatives:

I. FINDINGS

On November 14, 2023, the Committee unanimously voted to adopt the Report of the Investigative Subcommittee (ISC), which is enclosed as Appendix A. The Committee also unanimously voted, pursuant to Committee Rule 28, to refer to the Department of Justice (DOJ) substantial evidence that Representative Santos: knowingly caused his campaign committee to file false or incomplete reports with the Federal Election Commission; used campaign funds for personal purposes; engaged in fraudulent conduct in connection with RedStone Strategies LLC; and engaged in knowing and willful violations of the Ethics in Government Act as it relates to his Financial Disclosure (FD) Statements filed with the House.

Amid a deferral request from DOJ and Representative Santos' obfuscation and delay, the ISC expeditiously compiled a voluminous record consisting of over 170,000 pages of documents and testimony from dozens of witnesses, including financial statements, contemporaneous communications, and other materials. That record demonstrated the breadth of Representative Santos' misconduct. As discussed in the ISC's Report:

Representative Santos sought to fraudulently exploit every aspect of his House candidacy for his own personal financial profit.

He blatantly stole from his campaign.

He deceived donors into providing what they thought were contributions to his campaign but were in fact payments for his personal benefit.

He reported fictitious loans to his political committees to induce donors and party committees to make further contributions to his campaign – and then diverted more campaign money to himself as purported “repayments” of those fictitious loans.

He used his connections to high value donors and other political campaigns to obtain additional funds for himself through fraudulent or otherwise questionable business dealings.

And he sustained all of this through a constant series of lies to his constituents, donors, and staff about his background and experience.¹

Representative Santos continues to flout his statutory financial disclosure obligations and has failed to correct countless errors and omissions in his past FD Statements, despite being repeatedly reminded by the ISC and the Committee of his requirement to do so.

The ISC also found that, despite his attempts to blame others for much of the misconduct, Representative Santos was a knowing and active participant in the wrongdoing. Particularly troubling was Representative Santos’ lack of candor during the investigation itself.

At the outset of the review, Representative Santos was given an opportunity, pursuant to Committee Rule 17(b), to submit a signed written statement responding to the allegations raised in a complaint filed by his fellow Members; he did not do so. The ISC requested that he provide all documents and information responsive to its Request for Information; he did not do so. The ISC asked him to voluntarily testify; he did not do so. The ISC also provided him the opportunity, pursuant to Committee Rule 19(b)(3), to provide a statement under oath, but he did not do so. Representative Santos’ repeated public statements that he would like to prove his innocence and is cooperating with the ISC’s investigation are belied by his consistent failure to meaningfully cooperate with the ISC’s review.

The ISC and the Committee have now completed their review of the allegations and charges and have amassed overwhelming evidence of his misconduct. This evidence is summarized in the ISC’s Report.²

II. PROCEDURAL BACKGROUND

On November 9, 2023, the ISC transmitted a Report to the Committee summarizing its findings, which include substantial evidence that Representative Santos violated federal criminal laws and other standards of conduct within the Committee’s jurisdiction. Based on the unique and unprecedented circumstances in this case, the ISC unanimously determined that the Committee’s duty to safeguard the integrity of the House and the interests of justice warranted the immediate

¹ ISC Report at 4.

² Consistent with Committee Rule 25, the Report includes any evidence that could be considered substantially favorable to Representative Santos.

disclosure of its findings and recommended that the Committee refer evidence to DOJ. The ISC further recommended that the Committee adopt its Report and publicly condemn Representative Santos for his conduct, which the ISC found to be beneath the dignity of the office and to have brought severe discredit upon the House.

The ISC was in regular contact with DOJ to ensure that its investigation did not unduly interfere with the ongoing prosecution of Representative Santos. Those communications led the ISC to delay its review at multiple stages of the investigation and to forgo certain investigative steps.

The Committee agreed with the ISC's recommendation that these findings should be disclosed immediately, and evidence referred to DOJ. The Committee's referral to DOJ includes evidence of alleged violations beyond those Representative Santos is currently charged with in the pending criminal matter. Committee and House Rules provide a process by which the ISC can bring formal charges through a Statement of Alleged Violations, which would then be subject to a lengthy trial-like public adjudication and sanctions hearing by the Committee, after which the Committee can make a recommendation to the full House. Given Representative Santos' failure to meaningfully engage with the Committee to date, proceeding with that adjudicatory process would only provide Representative Santos with further opportunity to delay any accountability for his actions and could risk interfering with the ongoing criminal prosecution. The ISC thus chose to report its findings to the Committee, pursuant to Committee Rule 19(g), and the Committee has decided to send that Report to the full House, pursuant to Committee Rule 21(a).

The Committee encourages all Members of the House to carefully read the ISC's Report, which details grave and pervasive campaign finance violations and fraudulent activity by Representative Santos, and take any action they deem appropriate and necessary, based on the ISC's findings, to fulfill the House's Constitutional mandate to police the conduct of its Members.

III. STATEMENT UNDER HOUSE RULE XIII, CLAUSE 3(C)

The Committee made no special oversight findings in this Report. No budget statement is submitted. No funding is authorized by any measure in this Report.

**ADOPTED BY THE INVESTIGATIVE SUBCOMMITTEE
ON NOVEMBER 9, 2023**

**118TH CONGRESS, 1ST SESSION
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON ETHICS**

**IN THE MATTER OF ALLEGATIONS RELATING TO
REPRESENTATIVE GEORGE SANTOS**

November 9, 2023

Mr. JOYCE, from the Investigative Subcommittee, submitted the following

REPORT

To the Committee on Ethics

INVESTIGATIVE SUBCOMMITTEE

David P. Joyce, Ohio
Chairman

Susan Wild, Pennsylvania
Ranking Member

John H. Rutherford, Florida

Glenn F. Ivey, Maryland

REPORT STAFF

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Melissa Chong, *Counsel*
Jennifer Seeba, *Counsel*
Caroline Taylor, *Investigator*
Peyton Wilmer, *Investigative Clerk*

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I. INTRODUCTION

A fundamental tenet of government service is that public office is a public trust. As noted in extensive detail below, the evidence uncovered by the Investigative Subcommittee (ISC) revealed that Representative George Santos cannot be trusted. At nearly every opportunity, he placed his desire for private gain above his duty to uphold the Constitution, federal law, and ethical principles.

On February 28, 2023, the Committee on Ethics (Committee) unanimously voted to impanel an ISC to review whether Representative Santos may have: engaged in unlawful activity with respect to his 2022 congressional campaign; failed to properly disclose required information on statements filed with the House; violated federal conflict of interest laws in connection with his role in a firm providing fiduciary services; and/or engaged in sexual misconduct towards an individual seeking employment in his congressional office. In May 2023, the ISC expanded its jurisdiction to review additional allegations that were the subject of a federal indictment filed against Representative Santos in the United States District Court for the Eastern District of New York (EDNY). A superseding indictment was filed on October 10, 2023, charging Representative Santos with a total of 23 counts of criminal activity. The ISC reviewed the allegations underlying those charges, as well as a broader range of alleged misconduct beyond the scope of the indictments.

Representative Santos has been the subject of significant public reporting about his many alleged fabrications, including allegations that he has lied about his degrees, his religion, his work experience, his family, and numerous other aspects of his biography. But Representative Santos' lies go far beyond inaccuracies on a resume.

The ISC's investigation revealed a complex web of unlawful activity involving Representative Santos' campaign, personal, and business finances. Representative Santos sought to fraudulently exploit every aspect of his House candidacy for his own personal financial profit. He blatantly stole from his campaign. He deceived donors into providing what they thought were contributions to his campaign but were in fact payments for his personal benefit. He reported fictitious loans to his political committees to induce donors and party committees to make further contributions to his campaign—and then diverted more campaign money to himself as purported “repayments” of those fictitious loans. He used his connections to high value donors and other political campaigns to obtain additional funds for himself through fraudulent or otherwise questionable business dealings. And he sustained all of this through a constant series of lies to his constituents, donors, and staff about his background and experience.

The ISC determined there was substantial evidence that Representative Santos violated federal criminal laws, some of which are the subject of the pending charges filed against him in court. The ISC also found substantial evidence of additional unlawful conduct by Representative Santos, including evidence that he withheld or falsified information on statutorily required disclosures of his campaign and personal finances to the Federal Election Commission (FEC) and the House, respectively, and converted campaign funds to his personal use. Despite Representative Santos' efforts to blame his former treasurer for the numerous campaign finance violations, the ISC's record demonstrates that he was a knowing and active participant in the misconduct.

While Representative Santos has claimed, both through counsel before the ISC and to the media, he would fully cooperate with the ISC's review, that was another lie. Throughout this matter, Representative Santos evaded the ISC's straight-forward requests for information. The limited responses he did provide included material misstatements that further advanced falsehoods he made during his 2022 campaign. He has also continued to flout his statutory disclosure obligations and failed to provide the American public a timely and truthful accounting of his finances.

Based on the unique and unprecedented circumstances in this case, the ISC unanimously determined that the Committee's duty to safeguard the integrity of the House and the interests of justice warranted the immediate disclosure of its findings. Pursuant to Committee Rule 19(g), the ISC has decided to transmit this report to the Committee and not bring specific charges against Representative Santos, in order to avoid substantially interfering with the Department of Justice's (DOJ) ongoing and active prosecution of Representative Santos and others for related allegations. The Committee has already devoted substantial resources to this matter and Representative Santos has declined every opportunity to make his case before it. For these reasons, the ISC recommends the Committee immediately refer the substantial evidence of potential violations of federal criminal law to the DOJ. The ISC further recommends that the Committee adopt this report and publicly condemn Representative Santos for his conduct, which the ISC found to be beneath the dignity of the office and to have brought severe discredit upon the House.

II. PROCEDURAL HISTORY

A. ESTABLISHMENT OF THE INVESTIGATIVE SUBCOMMITTEE

Shortly after the November 2022 general election, news reports raised doubts about claims Representative Santos made during his campaign regarding his education, work, and family history. Questions also arose regarding hundreds of thousands of dollars' worth of loans Representative Santos purportedly made to his campaigns, and the accuracy of his Financial Disclosure (FD) Statements filed with the House, which showed a sharp rise in his personal wealth in a short amount of time. Representative Santos publicly acknowledged that he embellished or lied about certain details relating to his background but denied breaking any laws.¹

On January 10, 2023, Representative Daniel Goldman and Representative Ritchie Torres sent the Committee a letter, offered as a complaint, requesting an investigation into whether Representative Santos failed to file timely, accurate, and complete FD Statements and raising questions regarding purported loans he made to his campaign.² On February 3, 2023, the Committee received a letter from an individual who had applied for a position in Representative Santos' congressional office in which the individual alleged that Representative Santos sexually

¹ Victor Nava and Carl Campanile, *Liar Rep.-elect George Santos Admits Fabricating Key Details of His Bio*, THE NEW YORK POST (Dec. 26, 2022), <https://nypost.com/2022/12/26/rep-elect-george-santos-admits-fabricating-key-details-of-his-bio>.

² See Letter from Representative Daniel Goldman and Representative Ritchie Torres to Chairman Michael Guest and Ranking Member Susan Wild, Committee on Ethics (Jan. 10, 2023) (Appendix A).

harassed him and violated House Rules relating to the use of volunteers. In addition, several resolutions have been introduced in the House regarding Representative Santos' alleged conduct.

On February 21, 2023, the Office of Congressional Ethics (OCE) notified the Committee that it had commenced a preliminary review into allegations that: Representative Santos unlawfully omitted or misrepresented required information in his candidate FD Statements or FEC candidate committee reports; Representative Santos' campaign committee may have reported expenditures that may not have been made for *bona fide* campaign or political purposes; Representative Santos' campaign committee may have accepted excessive contributions in the form of personal loans and contributions that may not have been Representative Santos' personal funds; and Representative Santos may have sexually harassed or discriminated against a prospective congressional aide.

On February 28, 2023, at its organizational meeting, the Committee unanimously voted to impanel an ISC to review whether Representative Santos may have: engaged in unlawful activity with respect to his 2022 congressional campaign; failed to properly disclose required information on statements filed with the House; violated federal conflict of interest laws in connection with his role in a firm providing fiduciary services; and/or engaged in sexual misconduct towards an individual seeking employment in his congressional office. On March 1, 2023, the Committee notified Representative Santos of the establishment of the ISC and transmitted a copy of the complaint and the resolution setting forth the ISC's jurisdiction. At that time, the Committee advised Representative Santos of his right to submit a response within 30 days. On March 31, 2023, Representative Santos' counsel submitted a letter to the Committee advising that they did not have sufficient information to provide a comprehensive response to the complaint and that they were working with their client to gather information;³ however, a substantive response to the complaint was never provided.

Under House Rule XI, cl. 3(r) and Committee Rule 17A(k), the Committee may request OCE cease its review of any matter and refer such a matter to the Committee if the Committee has an ongoing investigation into the same matter.⁴ This process is also outlined in H. Res. 895, which established OCE in 2008, and has been readopted by reference in the current Congress.⁵ H. Res. 895 § 1(d)(1) states:

Notwithstanding any other provision of this section, upon receipt of a written request from the [Committee] that the [OCE] board cease its review of any matter and refer such matter to the committee because of the *ongoing investigation of such matter* by the committee, the board *shall refer* such matter to the committee and cease its preliminary or second-phase review, as applicable, of that matter and so notify any individual who is the subject of the review. In any such case, the board shall send a written report to the

³ Appendix C.

⁴ House Rule XI, cl. 3(r); Committee Rule 17A(k).

⁵ H. Res. 895, 110th Cong. (2008); H. Res. 5, 118th Cong. (2023) ("Section 1 of House Resolution 895, One Hundred Tenth Congress, shall apply in the One Hundred Eighteenth Congress in the same manner as such provision applied in the One Hundred Tenth Congress . . .").

committee containing a statement that, upon the request of that committee, the matter is referred to it for its consideration, but *not any findings*.⁶

On March 29, 2023, after the OCE Board notified the Committee that it had authorized a second-phase review of the matter, the Committee requested that OCE cease its review of allegations relating to Representative Santos because of the ISC's ongoing investigation into the matter. Notwithstanding the Committee's request and applicable House Rules, on May 1, 2023, OCE transmitted a report and findings to the Committee.⁷

When transmitting the referral, the OCE Board included a letter stating that it considered the Committee's cease and refer request approximately three weeks after the Committee sent the request, at which time the Board "voted to truncate" its investigation and refer findings to the Committee.⁸ OCE's continued review of allegations and referral of findings, following a cease and refer request from the Committee, was not consistent with H. Res. 895 § 1(d)(1) or OCE's own Procedural Rule 12(A). Because OCE was explicitly prohibited from transmitting findings to the Committee, the Committee considered OCE's submission of a narrative summary of its evidence as supplemental information. As discussed *infra*, much of the information OCE forwarded was already within the Committee's possession and some of its findings were not supported by the evidence.⁹ In some instances, OCE's decision to move forward with its review created confusion among witnesses and delayed the Committee's ability to obtain information.

On May 10, 2023, an indictment was unsealed in EDNY, charging Representative Santos with: five counts of wire fraud in connection with a fraudulent political contribution scheme; three counts of unlawful monetary transactions in connection with the wire fraud allegations; one count of theft of public money in connection with his alleged receipt of unemployment benefits; two counts of fraudulent application for and receipt of unemployment benefits; and two counts of false statements in connection with his 2020 and 2022 House FD Statements.

⁶ H. Res. 895, 110th Cong. (2008) (emphasis added).

⁷ See Report and Supplemental Information from the Office of Congressional Ethics (Review No. 23-4827) (Appendix B) (hereinafter Appendix B).

⁸ See Letter from the Office of Congressional Ethics to Chairman Michael Guest and Ranking Member Susan Wild, Committee on Ethics (May 1, 2023). In the document labeled as its "findings," OCE explained that it considered the Committee's request "neither valid nor binding upon the OCE" because the Committee's investigation was "not underway 'upon receipt' of notification OCE's review of this matter." Appendix B. The Committee was disappointed in OCE's decision. The Board's disregard for the Committee's request adversely affected the ISC's investigation and is directly contrary to the relevant House rules, OCE's authorizing resolution and the Democratic Task Force Report accompanying the authorizing resolution.

⁹ For example, OCE found "reason to believe that the campaign bank records provided to the OCE may have been altered prior to being submitted for review." Appendix B. This finding appears to have been based solely on an "informal" conversation with a bank "customer service representative." OCE also contacted the bank's general counsel requesting information, but only after calling the public customer service phone number to obtain the evidence they cited. Contrary to OCE's "findings," the ISC determined that the bank records Representative Santos produced to OCE were not improperly altered; the transactions identified by OCE as potentially altered all appear to be transfers between different accounts held at the same bank, with descriptions for the transfers likely input by the bank customer. OCE also appears to have misread the date on a September 2022 check from Representative Santos to this campaign committee, discussing it instead as an April 2022 transaction.

Pursuant to House Rule XI clause 3(b)(9) and Committee Rule 18(e)(2), when a Member is indicted or otherwise formally charged with criminal conduct in any Federal, State, or local court, the Committee shall either impanel an ISC or submit a report to the House explaining why it did not do so (and what actions, if any, the Committee has taken in response to the allegations), within 30 days of the charges.

On June 20, 2023, the Committee unanimously voted to expand the ISC's jurisdiction to include allegations in the indictment that Representative Santos may have fraudulently obtained unemployment insurance benefits, which were not within the ISC's initial jurisdiction.

On October 10, 2023, a superseding indictment was filed against Representative Santos charging him with an additional ten counts related to his conduct during the 2022 campaign: one count of conspiracy; two counts of wire fraud; two counts of false statements; two counts of falsification of records; two counts of aggravated identity theft; and one count of access device fraud. Many of the new allegations in the superseding indictment were already under investigation by the ISC.

Representative Santos has pleaded not guilty to all of the charges. His criminal trial is scheduled to begin on September 9, 2024, and anticipated to last at least three weeks.

B. DEFERRAL REQUEST FROM DEPARTMENT OF JUSTICE

Article I, Section 5 of the Constitution grants each chamber of Congress the power to “punish its Members for disorderly Behaviour, and, with the Concurrence of two thirds, expel a Member.” House Rules direct the Committee to enforce the standards of conduct for Members and investigate any alleged violation by a Member “of the Code of Official Conduct or of a law, rule, regulation, or other standard of conduct applicable to the conduct of such Member”¹⁰

The Committee reviews law enforcement deferral requests on a case-by-case basis, taking into consideration the particular circumstances of each case.¹¹

Prior to the establishment of an ISC, the Committee contacted DOJ to determine whether it wished to formally request any actions by the Committee to mitigate interference with any investigation of Representative Santos. At that time, DOJ did not make any such requests, and indicated that it would follow up with the Committee at a later date. On March 24, 2023, DOJ formally requested a full deferral by the Committee of all investigative activity relating to Representative Santos.

The ISC weighed DOJ's full deferral request against its obligation to safeguard the integrity of the House and the unprecedented nature of this case, which, in addition to serious allegations of misconduct, also involved a formal complaint, a House resolution referring the matter to the

¹⁰ House Rule XI, cl. 3(a)(2).

¹¹ See House Comm. on Standards of Official Conduct, *In the Matter of Representative Barbara-Rose Collins*, H. Rpt. 104-876, 104th Cong. 2d. Sess. 50 (1997). In that matter, the Committee continued to review allegations, notwithstanding deferral requests from DOJ, and a request from the respondent that the matter be stayed pending the federal grand jury investigation and the Member's hospitalization.

Committee,¹² a request by an individual who had applied for a position in Representative Santos' congressional office for an investigation of allegations of sexual misconduct, and a referral from OCE. Based on its constitutional and rule-based mandates, the unique circumstances of this case, and the ISC's concern that fully deferring to DOJ until the conclusion of the criminal prosecution would effectively prevent the Committee from exercising any oversight of Representative Santos' conduct, the ISC determined to conduct a review of the allegations while continuing to communicate with DOJ to mitigate potential interference.

Throughout the ISC's investigation, Committee staff had numerous communications with DOJ's legislative affairs office. Those communications led the ISC to delay its review at multiple stages of the investigation and to forgo certain investigative steps, including seeking interviews with over 20 individuals. Other witnesses declined to cooperate with the ISC's investigation or asserted their right against self-incrimination under the Fifth Amendment to the U.S. Constitution.

C. INVESTIGATIVE STEPS TAKEN BY THE ISC

The ISC met nine times and, over the course of its investigation, the ISC authorized 37 subpoenas and 43 voluntary requests for information (RFIs) leading to its receipt of over 172,000 pages of documents. The ISC also contacted or interviewed over 40 witnesses and reviewed materials received from OCE and relevant court records.

Representative Santos did not fully cooperate with the ISC's investigation. The ISC issued an RFI to Representative Santos on March 10, 2023; however, he provided only a partial response to the ISC's requests and many of the documents he did provide came after lengthy delays.

On October 17, 2023, the ISC advised Representative Santos of his right, pursuant to Committee Rule 19(b)(3), to respond to the allegations and requested that he inform it whether he would agree to be voluntarily interviewed and/or to submit a written response, under oath or affirmation, by November 1, 2023. On October 30, 2023, Representative Santos' counsel advised: "pursuant to my advice and the pending criminal allegations Representative Santos declines to voluntarily appear to be interviewed by the Committee."¹³ Representative Santos did not submit a written response to the allegations.

The ISC carefully considered whether to issue a subpoena to Representative Santos for his testimony, but determined not to take this step to avoid further delaying its investigation and in recognition of his counsel's previous statements that he would advise Representative Santos to invoke his Fifth Amendment right against self-incrimination. The ISC also believed that Representative Santos' testimony would have low evidentiary value given his admitted practice of embellishment.

¹² H. Res. 114, 118th Cong. (2023) (introduced February 9, 2023 and referred to the Committee on Ethics immediately; raised as a privileged resolution on May 16, 2023 and referred back to the Committee on May 17, 2023).

¹³ Email from Joseph W. Murray, Counsel to Representative Santos, to Committee staff, Committee on Ethics (Oct. 30, 2023).

III. FINDINGS

A. OVERVIEW OF FINDINGS

Representative Santos has been a Member of the United States House of Representatives since 2023, representing New York's 3rd congressional district. Nancy Marks served as treasurer for Representative Santos' political committees during his 2022 campaign and his unsuccessful 2020 congressional campaign.

Representative Santos' congressional campaigns were built around his backstory as a successful man of means: a grandson of Holocaust survivors and graduate from Baruch College with a Master's in Business Administration from New York University, who went on to work at Citi Group and Goldman Sachs, owned multiple properties, and was the beneficiary of a family trust worth millions of dollars left by his mother, who passed years after the 9/11 terrorist attacks as a result of long-term health effects related to being at one of the towers.¹⁴ No part of that backstory has been found to be true.

Since winning his election, Representative Santos has admitted that he "embellished" parts of his background in order to be taken seriously as a candidate; however, the ISC's review revealed significantly more fraudulent activity by Representative Santos. As an initial matter, members of Representative Santos' own campaign staff viewed him as a "fabulist," whose penchant for telling lies was so concerning that he was encouraged to seek treatment.¹⁵ His campaign filings and House FD Statements are replete with so many errors and omissions that they cannot be reasonably relied upon. Those "errors" go far beyond an embellished resume and include numerous misrepresentations to the government and the public about his and his campaign's financial activities. Representative Santos' "omissions" are more than just embellishments intended to cover up his embarrassment about not having the academic pedigree he claimed; his missing disclosures hid his disreputable business dealings that coincided with his campaign for Congress. Representative Santos defrauded his own donors by using their actual and purported campaign

¹⁴ *Rep. George Santos: People Voted Republican Because 'They're Fed Up with Being Lied To'*, JNS TV, at 2:45 (Nov. 27, 2022), <https://www.youtube.com/watch?v=baAAquuaa1g> (explaining his Jewish ancestry and how his grandparents fled from Hitler); *Sid & Friends In the Morning*, WABC RADIO, at 8:49 (Oct. 27, 2020), <https://wabcradio.com/episode/george-santos-10-27-2020/> (stating that he attended Baruch College on a volleyball scholarship); *After Hours #37 with Congressional Candidate George Santos*, POLICE OFF THE CUFF, at 52:00 (Oct. 29, 2020), <https://www.youtube.com/watch?v=P2IF5bUsksQ> (stating that he received an MBA from NYU); *About George Santos*, GEORGE SANTOS FOR CONGRESS (last visited Nov. 7, 2023), <https://web.archive.org/web/20220427010830/https://georgeforny.com/about> (stating that he worked at Citigroup and his "exciting opportunity with Goldman Sachs . . . was not as fulling as he anticipated."); George Santos (@MrSantosNY), X (formerly Twitter) (Feb. 8, 2021, 10:31 PM), https://twitter.com/MrSantosNY/status/1358981815495704581?ref_src=twsrc%5Etfw (indicating he owns 13 properties); ISC Interview of Witness 4 (discussing Representative Santos' family trust); *About George Santos*, GEORGE SANTOS FOR CONGRESS (last visited Nov. 7, 2023), <https://georgeforny.com/about> (referencing his mother's survival from "the tragic events on September 11th" and "pass[ing] away a few years later when she lost her battle to cancer."); George Santos (@MrSantosNY), X (formerly Twitter) (Jul. 12, 2021, 9:07 PM), <https://twitter.com/MrSantosNY/status/1414753386071793667> (posting that "9/11 claimed my mothers [sic] life."); see also Matthew Kassel, *Meet the Next Jewish Republican Congressman from Long Island*, JEWISH INSIDER (Nov. 10, 2022), <https://jewishinsider.com/2022/11/george-santos-long-island-queens-congress-midterms/> (describing that he is a "non-observant Jew.").

¹⁵ ISC Interview of Witness 4; ISC Interview of Witness 6.

contributions to personally enrich himself. His misrepresentations and lack of transparency have continued during his tenure in Congress, including in connection with the ISC’s review. Although he has assured the public that he will fully cooperate with the ISC’s investigation, he has failed to provide documents in response to an RFI issued over eight months ago and, through his counsel, declined to consent to a voluntary interview.

When reporting errors in his campaign filings with the FEC were initially uncovered, Representative Santos attempted to cast himself as an unknowing victim of Ms. Marks’ “incompetence” and claimed that she went “rogue.” Far from going rogue, Ms. Marks has admitted to conspiring with Representative Santos to submit false reports to the FEC, and the ISC’s record established that Representative Santos was heavily involved in the day-to-day financial operations of his campaigns. Representative Santos had login credentials to access the campaign’s bank accounts online, reviewed FEC reports, tracked money as it was coming and going out of the campaign, reviewed invoices, and received weekly finance reports.¹⁶ All of the campaign staff the ISC spoke with testified that Representative Santos had a close relationship with Ms. Marks, with whom he frequently interacted,¹⁷ and one staff member likened the campaign’s finances to a “black box” that only Representative Santos and Ms. Marks could access.¹⁸ At multiple points during his campaigns, staff raised concerns they had about Ms. Marks directly with Representative Santos, including issues relating to her timeliness, reporting, and organization; however, he did not take substantive steps to address those concerns.¹⁹ Instead, he told staff that Ms. Marks was “untouchable,” ostensibly to continue the schemes they had undertaken.²⁰

Despite his protestations, many of the public revelations following Representative Santos’ election could not have surprised him. Members of his own campaign team presented him with a

¹⁶ See e.g., EXHIBIT 1 (February 21, 2022 email from Individual 3 to Representative Santos, in which Individual 3 stated, “[p]er your request, I have deleted your old user name and access to the bank and have reissued access.”); EXHIBIT 2 (May 20, 2021 email request from Representative Santos to review an FEC report); EXHIBIT 3 (August 5, 2022 email from Representative Santos to his campaign staff, stating: “I just ran [donors’] names on CMDI and crossed checked with the FEC they have each given \$5,800 and their son gave \$4,200 to GADS pac.”); EXHIBIT 4 (October 28, 2021 email from Representative Santos to campaign staff attaching corrections he made to a campaign vendor’s invoice); EXHIBIT 5 (April 19, 2022 Weekly Report emailed to Representative Santos).

¹⁷ Witnesses described Representative Santos and Ms. Marks to be “like siblings,” “close friends,” and “very chummy.” See ISC Interview of Witness 2; ISC Interview of Witness 5 (also noting Representative Santos was “pretty involved” and “very much trying to keep track of what he needed to raise and where we were at.”); ISC Interview of Witness 1 (also noting Representative Santos was “hands on” with respect to the campaign’s financial operations). See also ISC Interview of Witness 3 (stating that Representative Santos was “extremely involved” in the day-to-day financial operations of the campaign); ISC Interview of Witness 6 (Representative Santos was “hands on” when it came to tracking the campaign’s money).

¹⁸ ISC Interview of Witness 4.

¹⁹ See e.g., ISC Interview of Witness 3 (discussing her and other staff’s concerns regarding Ms. Marks’ lack of responsiveness, timeliness, and reporting); ISC Interview of Witness 2 (discussing how she brought her concerns about duplicates and incorrect information in Ms. Marks’ reports to Representative Santos “maybe more than five” times, “but really, it didn’t seem like a lot of effort was made” to address her concerns).

²⁰ Representative Santos told the staffer that he trusted Ms. Marks due to her reputation and experience as a treasurer for high-profile clients in New York. ISC Interview of Witness 4. Those other committees do not appear to have nearly the same volume of errors that plagued Representative Santos’ campaign. The ISC obtained and reviewed bank records for certain other campaign bank accounts managed by Ms. Marks and did not see the same patterns of activity.

141-page Vulnerability Report on December 1, 2021, which raised a number of issues regarding his background as well as his personal and campaign disclosures including, among other things:

- No evidence to support Representative Santos' claims to have graduated with an MBA from New York University and Bachelor of Economics and Finance from Baruch College;
- Questions regarding how he loaned his 2020 campaign over \$80,000 when his personal financial disclosure did not show any assets and only a \$55,000 salary;
- Questions regarding his claims to have an extensive background in money management and growth, but no reported personal investments or assets;
- Questions regarding his failure to report salary from Harbor City Capital Management (which was under investigation by the Securities and Exchange Commission (SEC)); and
- His failure to file a 2021 FD Statement.²¹

As a result of the report, Representative Santos was encouraged by his campaign staff to drop out of the race and, when he refused, three staffers quit his campaign altogether.²² This was a key moment wherein Representative Santos could have put an end to all the lies he told, or at a minimum, taken steps to correct the record about his background and personal and campaign finances. Instead, he downplayed the significance of the report, telling new staff who were brought on to replace those who had left, and those who stayed, that the report was inaccurate.²³ Following the turnover in his campaign staff, he continued to lie about his background,²⁴ and found more ways to defraud his campaign supporters. He filed a second FD Statement filled with falsehoods designed to make him appear wealthier than he was and furthered the fictional persona he had concocted by falsely reporting more than half a million dollars in loans to the FEC.

On May 10, 2023, Representative Santos was charged in EDNY with wire fraud in connection with a fraudulent political contribution scheme; unlawful monetary transactions in connection with the wire fraud allegations; theft of public money in connection with his alleged receipt of unemployment benefits; fraudulent application for and receipt of unemployment benefits; and false statements in connection with his 2020 and 2022 FD Statements. A superseding indictment was filed on October 10, 2023, charging Representative Santos with additional violations related to his 2022 campaign, including allegations of: falsifying FEC reports in connection with a \$500,000 personal loan that was never made; falsifying the names of contributors to his campaign; engaging in aggravated identity theft and access device fraud; and enriching himself through a fraudulent contribution scheme. He has pled not guilty to all of the criminal charges.

The ISC determined there was substantial evidence of violations of federal law, House Rules, and other applicable standards related to many of the allegations charged in the indictment, and substantial evidence of additional uncharged unlawful and unethical conduct. These additional violations relate to falsely reported loans reportedly received by his 2020 campaign and leadership

²¹ See generally EXHIBIT 6.

²² ISC Interview of Witness 4; ISC Interview of Witness 3.

²³ EXHIBIT 7; ISC Interview of Witness 2.

²⁴ See e.g., ISC Interview of Witness 6; ISC Interview of Witness 1.

political action committee, GADS PAC; improper loan repayments to Representative Santos; systemic reporting errors in his 2020 and 2022 campaigns' FEC filings; and substantial evidence that campaign funds were converted to personal use. The ISC also identified additional errors and omissions in his 2020 and 2022 FD Statements, as well as violations of federal law and House Rules related to his unfiled 2021 and 2023 FD Statements, which were not charged in the indictment. The ISC also found that Representative Santos failed to meet his duty of candor with respect to the ISC's investigation, and instead presented the ISC with misrepresentations and delay tactics.

B. SUBSTANTIAL EVIDENCE OF VIOLATIONS OF FEDERAL LAW, HOUSE RULES, AND OTHER APPLICABLE STANDARDS OF CONDUCT

1. Campaign Finance Violations

The ISC uncovered significant campaign finance violations by Representative Santos and his campaign committees during the 2020 and 2022 election cycles. Many of the errors related to improper reporting to the FEC, including with respect to falsely reported personal loans from Representative Santos and thousands of dollars in unreported disbursements and receipts, including excessive contributions from a state political committee that Representative Santos helped manage.

Representative Santos has sought to blame Ms. Marks for all of the errors in his campaign reports by offering evolving arguments that conflict with one another. Through his prior counsel, Representative Santos initially claimed that he had no knowledge of those errors at the time they were made, as he “put his trust” in Ms. Marks.²⁵ More recently, his criminal defense attorney asserted that the congressman's recollection is that he did call into question financial discrepancies that he observed from Ms. Marks and her staff during the campaign. In support of that new position, counsel produced emails that Representative Santos sent Ms. Marks in the fall of 2021 raising questions about why certain deposits were not reported on the campaign's FEC reports. The emails indicate that Representative Santos combed through FEC reports and confronted Ms. Marks and her staff, telling them he was “very upset because there is missing money on my filing and that's hurting me.”²⁶ In response, Ms. Marks' staff ensured that Representative Santos had access to bank accounts for Devolder-Santos for Congress, GADS PAC (his leadership PAC), Devolder Santos Victory Committee (a joint fundraising committee), and Rise NY PAC (RISE) (the state PAC that Representative Santos helped manage), and asked Representative Santos to identify any discrepancies.²⁷ After Representative Santos had a meeting with Ms. Marks regarding his questions, Ms. Marks' staff sent a detailed email explaining that several of the specific “discrepancies” raised by Representative Santos were not in fact errors (*e.g.*, a donor had not contributed as much as pledged, or the date of their contribution did not fall within the relevant reporting period).²⁸ Ms. Marks' staff noted that there were only two items identified by Representative Santos “that do need to be rectified”: one was reporting an \$80,000 loan Representative Santos made to his campaign, which he knew to be fictitious, as discussed further

²⁵ Appendix C.

²⁶ EXHIBIT 8.

²⁷ *Id.*

²⁸ EXHIBIT 9.

below; the other was an unreported \$10,800 contribution from an individual that DOJ has alleged was defrauded by Representative Santos.²⁹ Ms. Marks amended the relevant FEC report to disclose the fictitious loan, but not the \$10,800 payment.³⁰ Rather than exonerate Representative Santos, these materials only further underscored that Representative Santos was: highly involved in his campaign's financial operations; focused on projecting large fundraising numbers on his FEC reports; and aware of issues relating to the campaign's reporting, but failed to take sufficient corrective steps.³¹

Representative Santos' initial counsel before the ISC also served as counsel to the campaign, and their duties included reviewing the campaign's FEC filings prior to their submission. In August 2021, Representative Santos stated that he wanted counsel to serve as an "extra set of eyes" to help review the campaign's reports to be "100% on it all."³² In reality, however, his campaign counsel did not review the campaign's reports until later in 2022,³³ and the law firm does not appear to have been entrusted with the campaign's underlying bank records, which would have shown that the campaign's reports to the FEC contained errors and omissions. When reviewing the reports, counsel made clear that their assumption was that the information in the reports was "reported correctly,"³⁴ nullifying any effective assistance that could have been provided.

The Committee has previously explained that Members must be held to account when they:

[K]now or should know of ethical violations that occur within the organizations they oversee; abdicate their duty to supervise the staff to whom they delegate substantial responsibilities; disregard concerns as they are brought to their attention; and hamstring compliance professionals by not supplying necessary information or providing false information.³⁵

²⁹ *Id.* With respect to the unreported contributions, Ms. Marks' staff indicated that Ms. Marks took the donation information over the phone, then prepared the checks for deposit and did not make "the appropriate copies for reporting purposes." *Id.* Bank records raise questions about whether this donation was properly effectuated. Ms. Marks' staff indicated in the email that the contributor made a total donation of \$21,843.85, with \$10,000 routed to GADS PAC and \$10,843.85 (representing \$10,800 plus fees) sent to Devolder-Santos for Congress. Bank records show that the contributor paid \$21,600 to Ms. Marks' company via credit card, Ms. Marks received \$20,843.85 after fees from the credit card processor, and then those funds were sent to the relevant committees through checks from Ms. Marks' company.

³⁰ The campaign disclosed four donations of \$2,900 each from the contributor and an affiliated individual as occurring in December 2021; it is not clear if this represented additional (and excessive) contributions or was an attempt to disclose the contribution that had actually occurred in April 2021. Devolder-Santos for Congress, 2021 Year-End Report of Receipts and Disbursements (Jan. 31, 2022).

³¹ The evidence stands in stark contrast to a statement that Representative Santos made to the press as recently as November 5, 2023, claiming that he "never ever submitted or even looked at a single report." *See CNN Reporter Confronts George Santos About his Lies*, CNN, at 3:13 (Nov. 5, 2023), <https://www.youtube.com/watch?app=desktop&v=sdfaG6QY9pM>.

³² *See* EXHIBIT 10.

³³ ISC Interview of Witness 4.

³⁴ *See e.g.*, EXHIBIT 11 (December 8, 2022 email from counsel, "assuming that everything is reported correctly, this is approved.").

³⁵ Comm. on Ethics, *In the Matter of Allegations Relating to Representative David Schweikert*, H. Rept. 116-465, 116th Cong., 2d Sess. 14 (2020) (hereinafter *Schweikert*).

The ISC was not swayed by Representative Santos' attempts to blame others. He was the ultimate beneficiary and knowing participant of much of the fraudulent reporting, as the falsely reported personal loans and contributions helped him meet benchmarks needed to win the support of the national party and project a strong campaign to the public. Even if Representative Santos was not aware of all of the other errors in his campaign reports relating to other receipts and disbursements, he had his own concerns and was repeatedly advised by multiple members of his team about concerns regarding Ms. Marks, but he failed to take meaningful action.

The Committee has determined on several occasions that misconduct that occurs in connection with a successful election to the House is subject to review by the Committee and may be the basis for a finding that a Member has violated the Code of Official Conduct.³⁶ Just as it is essential to the integrity of the House that Members serve in an ethical manner, it is essential that they arrive at the institution in such a manner.

i. Substantial Evidence of Violations Related to Personal Loans

a. Background

According to FEC reports, during the 2020 and 2022 elections, Representative Santos made personal loans totaling nearly \$800,000 to his campaign committee and \$27,000 in personal loans to his leadership PAC, GADS PAC. As detailed below, the ISC determined that there is substantial evidence that most of the reported personal loans were not actually made or properly disclosed to the FEC. Representative Santos was also improperly repaid for loans that were not made.

³⁶ *E.g.*, Comm. on Ethics, *In the Matter of Allegations Relating to Delegate Michael F. Q. San Nicolas*, H. Rept. 117-387, 117th Cong., 2d Sess. (2022) (hereinafter *San Nicolas*); House Comm. on Standards of Official Conduct, *In the Matter of Representative Jay Kim*, H. Rept. 105-797, 105th Cong., 2d Sess. (1998) (hereinafter *Kim*).

1. 2020 Campaign Loans

The following chart summarizes the six personal loans Representative Santos' campaign committee, Devolder-Santos for Congress, reported, versus whether any loans were actually made during the 2020 election cycle:

Devolder-Santos for Congress 2019-2020 Reported Loans versus Actual Loans				
FEC Filing	Reported Loan Date	Reported Loan Amount	Actual Loan Date	Actual Loan Amount
January 31, 2020 Year-End Report	Dec. 31, 2019	\$5,300	N/A	\$0
April 15, 2020 Quarterly Report	Jan. 3, 2020 ³⁷	\$18,550	N/A	\$0
April 15, 2020 Quarterly Report	Jan. 10, 2020	\$4,200	N/A	\$0
N/A	N/A	N/A	Feb. 13, 2020	\$1,500
April 15, 2020 Quarterly Report	Mar. 10, 2020	\$2,000	Mar. 9, 2020	\$2,000
April 15, 2020 Quarterly Report	Mar. 31, 2020	\$50,000	N/A	\$0
July 15, 2020 Quarterly Report	June 25, 2020	\$1,200	N/A	\$0
Total		\$81,250³⁸		\$3,500

The ISC reviewed the campaign's bank records as well as financial statements for accounts held by Representative Santos but found no evidence that five of the six reported loans were ever made. With respect to the first three loans, the campaign's December 2019 and January 2020 bank statements did not show Representative Santos transferring *any* funds to the campaign, or transfers to the campaign from any other source equaling the reported loans.³⁹ The campaign's March 2020 statement did show a \$2,000 wire from "George A Devolder Santos,"⁴⁰ and the ISC located a corresponding transfer from one of Representative Santos' personal savings accounts to the

³⁷ In amended filings, the date of this loan was reported as occurring on January 3, 2019, months prior to the opening of the campaign's bank account on August 16, 2019, and prior to when Representative Santos and his campaign filed a Statement of Organization and Statement of Candidacy with the FEC. Devolder-Santos for Congress, Statement of Organization (Oct. 2, 2019); Devolder-Santos for Congress, Statement of Candidacy (Jan. 22, 2020).

³⁸ According to the campaign's original April 2020 Quarterly report, the January 10, 2020, and March 10, 2020, reported loans did not come from the personal funds of the candidate. See Devolder-Santos for Congress, April 2020 Quarterly Report of Receipts and Disbursements, at 18-19 (Apr. 15, 2020). On May 27, 2020, the FEC sent a Request for Additional Information (RAI) requesting that the report be amended to indicate whether the loans were from the candidate's personal funds, lending institution, or some other source. The RAI requested a response due date of July 1, 2020; however, the campaign did not submit a response. See Letter from FEC Analyst Denise Stilla to Nancy Marks, Treasurer, Devolder-Santos for Congress (May 27, 2020).

³⁹ See Devolder-Santos for Congress December 31, 2019 Bank Statement; Devolder-Santos for Congress January 31, 2020 Bank Statement.

⁴⁰ See Devolder-Santos for Congress March 31, 2020 Bank Statement.

campaign on March 9, 2020, for the same amount.⁴¹ However, the ISC found no records of a \$50,000 or \$1,200 loan from Representative Santos on or around March 31, 2020, and June 25, 2020. There was an additional transfer to the campaign that originated from a bank account controlled by Representative Santos: a \$1,500 cashier's check deposited by the campaign on February 13, 2020; that check was not reported to the FEC.⁴²

Representative Santos benefited politically and financially from the reporting of the loans. The fictitious loans inflated his 2020 campaign's ending cash on hand totals that were reported to the FEC:

Devolder-Santos for Congress 2019-2020 Reported versus Actual Cash on Hand		
FEC Filing	Reported Cash on Hand at Close of Reporting Period	Actual Ending Account Balance
January 31, 2020 Year-End Report (as of December 31, 2019)	\$4,297.81	\$150.43 ⁴³
April 15, 2020 Quarterly Report (as of March 31, 2020)	\$54,988.51	\$1,310.57 ⁴⁴
July 15, 2020 Quarterly Report (as of June 30, 2020)	\$73,355.64	\$13,761.88 ⁴⁵

Despite reporting the higher cash on hand totals, the reality was that the campaign did not have the funds to pay outstanding debts; at least one campaign staffer went eight months without being paid for his work.⁴⁶

⁴¹ Personal Savings Account #1 March 31, 2020 Bank Statement.

⁴² Devolder-Santos for Congress March 31, 2020 Bank Statement.

⁴³ Devolder-Santos for Congress December 31, 2019 Bank Statement.

⁴⁴ Devolder-Santos for Congress March 31, 2020 Bank Statement.

⁴⁵ Devolder-Santos for Congress June 30, 2020 Bank Statement.

⁴⁶ ISC Interview of Witness 4.

Representative Santos also received disbursements from the campaign that were reported as “repayments” for five of the personal loans (four of which were not made):

Devolder-Santos for Congress 2019-2020		
Loan “Repayments” to Representative Santos		
Loan Date	Loan Amount	Repayment Details
Dec. 31, 2019	\$5,300	\$5,300 via campaign check dated Nov. 18, 2020
Jan. 3, 2020	\$18,550	\$18,500 via campaign wire on Dec. 30, 2020
Jan. 10, 2020	\$4,200	\$4,200 via campaign check on Nov. 18, 2020
Mar. 10, 2020	\$2,000	\$2,000 via campaign check on Nov. 18, 2020
Mar. 31, 2020	\$50,000	N/A ⁴⁷
June 25, 2020	\$1,200	\$1,200 via campaign check on Nov. 18, 2020
Total Repaid to Representative Santos	\$31,200	

The five repayments were reported to the FEC in Schedule C of the campaign’s Amended 2020 Year-End Report⁴⁸ and were deposited into accounts owned and controlled by Representative Santos.⁴⁹ As noted previously, the ISC only found evidence that Representative Santos made the March 10, 2020, loan for \$2,000; thus, he was “reimbursed” for four campaign loans, totaling \$29,200, that were not made. The campaign also raised additional funds after the election for purposes of retiring the campaign’s purported debt.

In response to requests from the ISC, Representative Santos’ counsel has stated that he “put his trust in” Ms. Marks, that “it is unclear” whether Representative Santos ever made any personal loans to his 2020 campaign, and that “the reporting of these loans was a result of Ms. Marks’ incompetence.”⁵⁰ Although counsel advised that they would “update the Committee when we receive more information on this issue,”⁵¹ no further information or materials were provided by Representative Santos regarding the 2020 personal loans he purportedly made to his campaign or the repayments he received.

Evidence provided by other witnesses indicates that, contrary to counsel’s assertions, the reports of loan payments were based on information that Representative Santos provided to Ms.

⁴⁷ The campaign’s most recent report filed with the FEC no longer lists the March 31, 2020, \$50,000 loan in Schedule C or as an outstanding debt. *See Devolder-Santos for Congress, October 2023 Quarterly Report of Receipts and Disbursements* (Oct. 15, 2023).

⁴⁸ The Original 2020 Year-End Report only reported the repayment of \$18,500 to Representative Santos in connection with the \$18,550 loan. *See Devolder-Santos for Congress, 2020 Year-End Report of Receipts and Disbursements*, at 28 (Jan. 31, 2021). The Amended Report disclosed this payment as \$18,550 (even though the wire to Representative Santos was for \$18,500) and also reported in Schedule C loan repayments (but not corresponding disbursements) to him for \$5,300, \$4,200, \$2,000, and \$1,200. *See Devolder-Santos for Congress, Amended 2020 Year-End Report of Receipts and Disbursements*, at 47 (Nov. 5, 2021).

⁴⁹ On November 18, 2020, an ATM check deposit was made into Representative Santos’ personal checking account for \$12,700, the total value of the four campaign checks that were issued to him on that date. Personal Checking Account #1 December 14, 2020 Bank Statement. This amount was then transferred into Representative Santos’ personal savings account. Personal Savings Account #1 November 30, 2020 Bank Statement. The \$18,500 wire transfer was made to his personal savings account on December 30, 2020. Personal Savings Account #1 December 31, 2020 Bank Statement.

⁵⁰ Appendix C.

⁵¹ *Id.*

Marks, and Representative Santos was aware of the reported loans at the time.⁵² Representative Santos and Ms. Marks exchanged contemporaneous text messages discussing that at least one of the loans had not been made but had been included on the campaign's reports,⁵³ and his campaign staff testified that Representative Santos discussed making \$80,000 in loans to his 2020 campaign.⁵⁴

In December 2021, a Vulnerability Report commissioned by the campaign was shared with Representative Santos. The report raised similar questions regarding his ability to make personal loans to his 2020 campaign: "In 2020, Santos loaned his campaign more than \$81,000. His personal financial disclosure from 2020 does not show any assets and only a \$55,000 annual salary."⁵⁵ The report led to the departure of some of his campaign staff; however, Representative Santos did not cause his campaign reports disclosing these loans to be amended and said the contents of the report were "not worrisome" to him.⁵⁶

⁵² The ISC also reviewed emails from the 2020 campaign when Representative Santos appeared to send Ms. Marks expenses he purported to have incurred on behalf of the campaign. It is not clear whether those relate to *bona fide* campaign expenditures, and the amounts and dates do not correspond to the reported loans.

⁵³ Representative Santos exchanged contemporaneous text messages with Ms. Marks regarding the missing 2020 loan payments, and at the time he acknowledged he did not have sufficient funds in his accounts. On February 3, 2020, Ms. Marks texted him: "I put on report that you gave 5300 as a loan. I believe that was amount you told me. I have to get those checks." EXHIBIT 12. On February 6, 2020, he texted, "I don't have high funds in my checking" and "It's going to be two transfers . . . [o]ne from my personal for \$1000 [a]nd one from my [m]oney market for \$5500[.]" *Id.* On March 3, 2020, Ms. Marks texted, "I did not receive your transfer yet," to which Representative Santos replied "Just saw this FML [t]oday was so intense[.]" *Id.* On March 9, 2020, Representative Santos texted, "Nancy, money won't go in until Wednesday. In that case I'm going to send right now." *Id.* As noted previously, on the same date, \$2,000 was transferred to the campaign from Representative Santos' personal savings account; however, the ISC did not find evidence that he made the other reported loans to his 2020 campaign. In the same text exchange with Ms. Marks, Representative Santos gave the impression that he was a prolific stock trader; he noted, "[recent comments by the Treasury Secretary are] going to hurt me with my stocks and all my trading[.] I'll go bankrupt[.] I lost 700k with this BS[.]" *Id.* The ISC requested information related to securities Representative Santos owned, but he did not produce records of any trading activity during this time. Notwithstanding these text exchanges, other members of the campaign staff were led to believe that Representative Santos intended to loan even more money to his 2020 campaign. *See* EXHIBIT 13 (February 19, 2020 email from campaign staff member noting "He's also committing to put in \$100k of his own money in March.").

⁵⁴ ISC Interview of Witness 3; ISC Interview of Witness 4 (noting that Representative Santos told him "he would have no problem self-funding the campaign up to an extent" and that in February 2020, he was "operating under the assumption that [Representative Santos] was going to put in \$100,000 of his own [money into the campaign] in March.").

⁵⁵ EXHIBIT 6 (emphasis in original).

⁵⁶ EXHIBIT 7.

2. 2022 Campaign Loans

The following chart summarizes the loans Representative Santos’ campaign committee, Devolder-Santos for Congress, originally reported receiving from him during the 2022 election cycle:

Devolder-Santos for Congress 2021-2022 Original Reported Loans		
FEC Filing	Loan Date	Loan Amount
2021 July Quarterly Report	June 30, 2021 ⁵⁷	\$80,000
2022 April Quarterly Report	Mar. 31, 2022	\$500,000
2022 Post-General Report (Amended)	Oct. 26, 2022 ⁵⁸	\$125,000
Total		\$705,000

The ISC reviewed the campaign’s bank records and other accounts held by Representative Santos but found no evidence of the \$80,000 and \$500,000 loans ever being made. Representative Santos did not have sufficient funds in his bank accounts to loan his campaign those amounts,⁵⁹

⁵⁷ This loan was not originally disclosed in Schedule C of the 2021 July Quarterly Report. The campaign filed an amended report on November 5, 2021, disclosing the loan on Schedule C and indicating at the same time that it had been fully repaid. Devolder-Santos for Congress, First Amended July 2021 Quarterly Report of Receipts and Disbursements, at 113 (Nov. 5, 2021). The FEC sent an RFAI on December 19, 2021, explaining that sufficient information about the loan had not been reported, including with respect to the repayment of the loan and whether the source of the loan was personal funds of the candidate. Letter from FEC Analyst Denise Stilla to Nancy Marks, Treasurer, Devolder-Santos for Congress (Dec. 19, 2021). On March 16, 2022, the campaign amended the report again to indicate that no repayments had yet been made on the loan. Devolder-Santos for Congress, Second Amended July 2021 Quarterly Report of Receipts and Disbursements, at 121 (Mar. 16, 2022). On April 4, 2022, the FEC sent another RFAI noting further deficiencies with the loan reporting (including the failure to indicate whether the source was personal funds of the candidate). Letter from FEC Analyst Denise Stilla to Nancy Marks, Treasurer, Devolder-Santos for Congress (Apr. 4, 2022). The campaign amended the report again on April 15, May 9, May 16, and September 12, 2022; it wasn’t until the September 12, 2022 report that the campaign provided the missing information and indicated the source of the loan was the candidate’s personal funds. *See* Devolder-Santos for Congress, Sixth Amended July 2021 Quarterly Report of Receipts and Disbursements, at 116 (Sept. 12, 2022). On January 24, 2023, the campaign filed another amendment that then removed all of the additional information about the loan included in the September 12, 2022 report. Devolder-Santos for Congress, Seventh Amended July 2021 Quarterly Report of Receipts and Disbursements, at 123 (Jan. 24, 2023).

⁵⁸ This loan was not originally disclosed in Schedule C of the 2022 Post-General Report (the section of the report that would include details about the loan) but was reported as a contribution on Schedule A (October 20, 2022 – November 28, 2022). *See* Devolder-Santos for Congress, 2022 Post-General Report of Receipts and Disbursements, at 82 (Dec. 8, 2022). The FEC sent the campaign an RFAI flagging this issue on December 20, 2022, and the campaign filed an amended report on January 24, 2023, disclosing the loan in Schedule C. When disclosing this loan, the campaign did not state that it was made from the personal funds of the candidate. *See* Letter from FEC Analyst Denise Stilla to Nancy Marks, Treasurer, Devolder-Santos for Congress (Dec. 20, 2022); Devolder-Santos for Congress, Amended 2022 Post-General Report of Receipts and Disbursements, at 133 (Jan. 24, 2023). As noted *infra*, there was evidence that the October 26, 2022, loan was made, as the campaign deposited a \$125,000 check issued by Representative Santos’ single-member LLC, Devolder Organization on that date.

⁵⁹ Personal Checking Account #1 June 30, 2021 Account Activity showing ending balance of -\$391.62; Personal Savings Account #1 June 30, 2021 Account Activity showing ending balance of \$4.07; Personal Checking Account #2 June 30, 2021 Account Activity showing ending balance of \$669.54; Devolder Organization Checking Account #1 June 30, 2021 Account Activity showing ending balance of \$10,726.71; Personal Checking Account #1 March

nor did the campaign receive funds from Representative Santos' accounts on or around those dates for those loan amounts.⁶⁰ The campaign's account ending balances on June 30, 2021 and on March 31, 2022 were \$75,090.30 and \$85,616.14;⁶¹ however, the campaign reported significantly higher ending cash on hand balances to the FEC of: \$292,712.86⁶² and \$821,293.77⁶³ for the same time periods.

In its 2023 April Quarterly Report, on April 15, 2023, Representative Santos' campaign committee did *not* report the \$80,000 and \$500,000 loans; instead, the campaign reported personal loans as follows:

Devolder-Santos for Congress 2021-2022 Updated Reported Loans	
Loan Date	Loan Amount
Sept. 10, 2022	\$300,000
Sept. 20, 2022 ⁶⁴	\$100,000
Oct. 10, 2022	\$100,000
Oct. 17, 2022	\$90,000
Oct. 26, 2022	\$125,000
Total	\$715,000

31, 2022 Account Activity showing ending balance of \$136.93; Personal Savings Account #1 March 31, 2022 Account Activity showing ending balance of -\$6.08; Personal Checking Account #2 March 31, 2022 Account Activity showing ending balance of \$7,182.74; Devolder Organization Checking Account #1 March 31, 2022 Account Activity showing ending balance of -\$4,981.66.

⁶⁰ Devolder-Santos for Congress June 30, 2021 Bank Statement; Devolder-Santos for Congress March 31, 2022 Bank Statement.

⁶¹ *Id.*

⁶² The campaign filed seven amendments to its July 2021 Quarterly Report; in the filing where the campaign first reported the \$80,000 loan, the cash on hand was reported as \$212,712.86. Devolder-Santos for Congress, First Amended July 2021 Quarterly Report of Receipts and Disbursements, at 2 (Nov. 5, 2021). In the last amended filing, the cash on hand was reported as \$211,557.33. Devolder-Santos for Congress, Seventh Amended July 2021 Quarterly Report of Receipts and Disbursements, at 2 (Jan. 24, 2023).

⁶³ The campaign filed four amendments to its April 2022 Quarterly Report; in its last amended filing, the cash on hand was reported as \$757,363.15. Devolder-Santos for Congress, Fourth Amended April 2022 Quarterly Report of Receipts and Disbursements, at 2 (Jan. 24, 2023).

⁶⁴ OCE questioned whether the date of this loan was properly reported. See Appendix B at 25. It appears OCE may have misread the handwritten date on the corresponding check as "4/20/2022" rather than "9/20/2022."

Representative Santos’ campaign has not amended the relevant past filings with the same information, which more accurately reflects the campaign’s bank records. The ISC reviewed evidence that the campaign’s bank account received \$715,000 from several bank accounts Representative Santos owned or controlled on the following dates:

Devolder-Santos for Congress 2021-2022			
Actual Transfers Received from Representative Santos			
Bank Account	Date of Check	Date of Deposit	Amount
Personal Savings Account #1	Sept.10, 2022	Sept. 19, 2022	\$300,000
Personal Savings Account #1	Sept. 20, 2022	Sept. 21, 2022	\$100,000
Personal Savings Account #1	Oct. 10, 2022	Oct. 13, 2022	\$100,000
Devolder Organization Checking	Oct. 17, 2022	Oct. 18, 2022	\$90,000
Devolder Organization Checking	Oct. 16, 2022	Oct. 26,2022	\$125,000
Total			\$715,000

Just before making these loans to his campaign, Representative Santos and two companies he owned or controlled were paid \$800,000, in three installments.⁶⁵ Without these payments, Representative Santos would not have had the funds to make these loans to his campaign.⁶⁶

Representative Santos’ counsel told the FEC that the initial reporting of loans during the 2022 campaign was “baffling” and that “[f]or some reason, Ms. Marks reported the wrong amounts, totals, and dates[.]”⁶⁷ Counsel’s attempt to paint the falsely reported loans as a mix-up of dates and other numbers was not supported by the evidence, and there was no explanation provided for how Ms. Marks could have reported the wrong numbers for loans that did not exist at the time they were reported.

The ISC requested, but Representative Santos did not produce, all of his communications regarding these loans.⁶⁸ Other individuals who cooperated with the ISC’s review provided records showing that, throughout his 2022 campaign, Representative Santos received or exchanged emails indicating that he was aware that his campaign had reported receiving \$80,000 and \$500,000 in

⁶⁵ The transfers originated from Individual 4 and an entity owned by Individual 4’s family member, Company 2. The ISC found some evidence that Representative Santos provided some services to Individual 4 and Company 2; however, given the timing, amounts, and other circumstances of the payments, the ISC had serious questions regarding whether these payments were intended to benefit Representative Santos’ campaign and thus were unlawful excessive contributions. The ISC was unable to further pursue these questions due to DOJ’s specific deferral requests.

⁶⁶ Even after the 2022 election, Representative Santos’ campaign continued to fundraise for retirement of the debt. EXHIBIT 14.

⁶⁷ EXHIBIT 15.

⁶⁸ Representative Santos provided some communications and/or contracts with Individual 4 and Company 2, but he did not produce communications with members of his campaign staff relating to any of the reported personal loans.

loans from him.⁶⁹ He also received internal campaign weekly finance reports stating that he made \$580,000 in personal loans to the campaign throughout Spring 2022.⁷⁰

On October 5, 2023, a one-count criminal information was filed in EDNY charging Ms. Marks with conspiring to commit offenses against the U.S. government in connection with falsely reporting the March 31, 2022, \$500,000 personal loan, among other offenses. According to the information, Ms. Marks and Co-Conspirator 1 (Representative Santos) agreed to falsely report to the FEC that he had loaned his campaign significant sums of money, when he had not made the reported loans and did not have the funds necessary to make such loans.⁷¹ The information alleged that the \$500,000 loan, in particular, was falsely reported to make the campaign committee appear more financially sound, in order to mislead the FEC, National Republican Congressional Committee (NRCC), and the public, so that Representative Santos would receive campaign support from the NRCC.⁷²

Ms. Marks pled guilty to the conspiracy charge on the same date it was filed. During her guilty plea hearing, Ms. Marks testified, under oath, “I admit to all the actions attributed to me in the information,” and “I filed the first quarter 2022 report stating that 500,000 was loaned to the campaign by [Representative Santos], and the money was not received at that time.”⁷³

On October 10, 2023, a superseding indictment was filed, charging Representative Santos with additional offenses, including conspiring to falsify records and related offenses in connection with the reporting of the \$500,000 March 31, 2022, personal loan. On October 26, 2023, Representative Santos pleaded not guilty to all of the charges.

The ISC determined there was substantial evidence that Representative Santos was an active and knowing participant in a scheme to falsely report personal loans during his 2022 campaign based on Ms. Marks’ guilty plea and sworn admissions to the court, as well as contemporaneous records evidencing Representative Santos’ awareness of how the loans were being reported.

⁶⁹ See e.g., EXHIBIT 2 (May 20, 2021 email from Representative Santos requesting the “Q3 report so far so we know where we are for the quarter.”); EXHIBIT 16 (November 9, 2021 email from Representative Santos to Ms. Marks and her staff coordinating meeting to review FEC reports); EXHIBIT 17 (May 26, 2022 Weekly Report); EXHIBIT 18 (April 1, 2022 email from Ms. Marks to Representative Santos and others discussing campaign’s cash on hand is “779,294.72” with \$500,000 “loan.”); EXHIBIT 19 (July 14, 2022 email from Ms. Marks sharing FEC report); EXHIBIT 20 (October 20, 2022 email from Ms. Marks to Representative Santos attaching report).

⁷⁰ See e.g., EXHIBIT 5 (April 19, 2022 Weekly Report disclosing \$580,000 in candidate loans); EXHIBIT 21 (May 12, 2022 Weekly Report disclosing \$580,000 in candidate loans); EXHIBIT 22 (June 2, 2022 Weekly Report disclosing \$580,000 in candidate loans).

⁷¹ Criminal Information at 2-3, *United States v. Marks*, No. 23-CR-197 (JS) (AYS) (E.D.N.Y. filed Oct. 5, 2023).

⁷² *Id.* at 9.

⁷³ EXHIBIT 23 at 20.

3. 2022 Leadership PAC Personal Loans

The following chart summarizes the loans GADS PAC, a leadership political action committee affiliated with Representative Santos, reported receiving from him during the 2022 election cycle:

GADS PAC 2021-2022 Reported Loans from Representative Santos		
FEC Filing	Loan Date	Loan Amount
2021 October Quarterly Report	July 10, 2021	\$25,000 ⁷⁴
2022 October Quarterly Report	July 15, 2022	\$2,000
	Total	\$27,000

The ISC reviewed GADS PAC’s bank statements and Representative Santos’ financial records but did not find any evidence that these two loans were made. In July 2021, GADS PAC’s beginning bank account balance was \$5,715.70 and its ending balance was \$3,715.70, with the only transaction being a \$2,000 check paid to another candidate committee.⁷⁵ While GADS PAC’s July 2022 bank statement showed more financial activity, including \$22,800 and \$5,000 wire transfers it received from Devolder Santos Victory Committee on July 12 and 13, 2022 (which were not reported to the FEC), no funds were received from Representative Santos’ personal accounts.⁷⁶

As was the case with the 2020 loans, counsel for Representative Santos told the ISC it was “unclear” whether Representative Santos made any personal loans to GADS PAC and asserted that Ms. Marks’ incompetence was to blame for the reporting of the loans.⁷⁷

⁷⁴ After GADS PAC reported the July 10, 2021, \$25,000 loan in its 2021 October Quarterly Report, the FEC sent the committee a request for additional information which noted that this loan was an apparent excessive contribution. GADS PAC did not respond to the RFAI. *See* GADS PAC, October 2021 Quarterly Report of Receipts and Disbursements, at 7 (Oct. 15, 2021); Letter from FEC Analyst Jamie Timmie to Nancy Marks, Treasurer, GADS PAC (Nov. 21, 2021).

⁷⁵ GADS PAC July 31, 2021 Bank Statement.

⁷⁶ GADS PAC July 31, 2022 Bank Statement.

⁷⁷ Appendix C.

The ISC did not find evidence that Representative Santos was repaid by GADS PAC for these fictitious loans. However, GADS PAC falsely reported making the following disbursements, titled “loan repayment,” to Representative Santos:

GADS PAC 2021-2022		
Reported Loan “Repayments” to Representative Santos		
FEC Filing	Disbursement Date	Disbursement Amount
July 15, 2022 Quarterly Report	Apr. 10, 2022	\$3,000
	May 8, 2022	\$5,000
	June 30, 2022	\$14,800
	June 30, 2022	\$2,200

According to GADS PAC’s bank records, a transfer for one of these amounts, \$14,800, actually went to a state political committee on July 12, 2022.⁷⁸ This disbursement was not reported to the FEC by GADS PAC or the political committee.

b. Relevant Laws, Rules, and Other Applicable Standards of Conduct

A candidate’s principal campaign and affiliated committees must accurately report information to the FEC, including all loans and contributions they receive and disbursements they make.⁷⁹

Candidates may make unlimited contributions to their own campaigns, so long as they are made from a candidate’s personal funds.⁸⁰ Personal funds include: (i) any asset that the candidate had legal right of access to or control over under applicable State law at the time the individual became a candidate, and with respect to which the candidate had “legal and rightful title” or an “equitable interest”; (ii) the candidate’s income received during the current election cycle; and (iii) certain amounts derived from joint assets owned by the candidate and the candidate’s spouse.⁸¹

Such contributions by candidates to their own campaigns are considered loans and although they are not subject to the same monetary limits as other contributions, they are subject to additional reporting requirements.⁸² The loan must be itemized by the campaign committee and continuously reported until paid off. When a campaign committee discovers that an earlier report contained erroneous information, it must file an amended report. If a committee has net debts outstanding after an election is over, a campaign may accept contributions after the election to retire the debts.⁸³

⁷⁸ GADS PAC July 31, 2022 Bank Statement. Ms. Marks was treasurer for both GADS PAC and the state political committee.

⁷⁹ 52 U.S.C. § 30104(b)(3)(E).

⁸⁰ 11 C.F.R. § 110.10.

⁸¹ 11 C.F.R. § 100.33.

⁸² *Personal Loans from the Candidate*, FEC, <https://www.fec.gov/help-candidates-and-committees/handling-loans-debts-and-advances/personal-loans-candidate/>. Loans to a Leadership PAC are subject to contribution limits, even if from the candidate that established the committee. *Handling PAC Loans, Debts, and Advances*, FEC, <https://www.fec.gov/help-candidates-and-committees/handling-nonconnected-pac-loans-debts-and-advances/>.

⁸³ 11 CFR § 110.1(b)(3).

The Federal Election Campaign Act (FECA) and its implementing regulations also prohibit the use of campaign funds for personal use.⁸⁴ A contribution shall be considered to be converted to personal use if it is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate’s election campaign or duties as a federal officeholder.⁸⁵

18 U.S.C. Section 371 provides that:

If two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined under this title or imprisoned not more than five years, or both.

18 U.S.C. Section 1001(a) applies to anyone who “knowingly and willfully”:

- (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact;
- (2) makes any materially false, fictitious, or fraudulent statement or representation; or
- (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry[.]

18 U.S.C. Section 1519 states:

Whoever knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States or any case filed under title 11, or in relation to or contemplation of any such matter or case, shall be fined under this title, imprisoned not more than 20 years, or both.

House Rule XXIII, clause 6(b) states a “Member, Delegate, or Resident Commissioner may not convert campaign funds to personal use in excess of an amount representing reimbursement for legitimate and verifiable campaign expenditures.” Accordingly, the *Ethics Manual* explains Members “must be able to verify that campaign resources have not been so misused” and cautions:

Members and their campaign staffs should bear in mind that the verification requirement imposed by the House rules is separate from, and in addition to, whatever recordkeeping requirements are

⁸⁴ See 52 U.S.C. § 30114(b)(1); 11 C.F.R. § 113.2(e).

⁸⁵ 52 U.S.C. § 30114(b)(2).

imposed by the [FEC] on federal candidates generally (or with regard to Members who are candidates for a state or local office, the requirements imposed by applicable state or local law).⁸⁶

Pursuant to paragraph 2 of the Code of Ethics for Government Services, Members are expected to uphold the laws and legal regulations of the United States, and never be a party to their evasion. Members must also act in a manner that reflects creditably on the House, pursuant to House Rule XXIII, clause 1.

c. Findings

As detailed in the factual background, the ISC received substantial evidence that personal loans were falsely reported by Representative Santos' campaign committee and leadership PAC during the 2020 and 2022 elections and campaign funds were converted to personal use to the extent that Representative Santos received repayments from his campaign for loans that were not made. The ISC found substantial evidence that Representative Santos was an active and knowing participant in a scheme to falsely report personal loans during his campaigns given his contemporaneous communications regarding the loans, the fact that he was repaid for some of the loans, and his involvement in the oversight of his campaign's financial operations. Moreover, Ms. Marks pled guilty and testified under oath to conspiring with Representative Santos to falsely report loans that were not made in an effort to deceive the FEC, NRCC, and the public regarding the strength of his campaign.

These actions did not reflect creditably on the House and resulted in a prolonged failure by Representative Santos to uphold laws and regulations of the United States, including provisions of FECA and the FEC's implementing regulations. Accordingly, the ISC found Representative Santos violated House Rule XXIII, clause 1, and paragraph 2 of the Code of Ethics for Government Services.

ii. Additional FEC Reporting Errors and Personal Use of Campaign Funds

a. Background

In addition to the falsely reported personal loans, there were numerous other errors and omissions in Representative Santos' campaign finance reports; those reports also contained evidence that campaign funds were converted to Representative Santos' personal use. In the supplemental information transmitted to the Committee, OCE noted that Representative Santos' campaign reported 40 disbursements valued between \$199 and \$200 in 2021—37 of which were for exactly \$199.99—but OCE was unable to verify the legitimacy of these expenditures.⁸⁷ OCE also highlighted certain unreported transfers and unidentified deposits to and from the campaign bank account in 2022, including an unreported \$20,000 transfer from the campaign to Devolder

⁸⁶ *House Ethics Manual* (2022) at 174 (hereinafter *Ethics Manual*).

⁸⁷ See generally Appendix B at 19-20.

Organization on November 29, 2022,⁸⁸ along with other inconsistencies between FEC-reported disbursements and campaign expenditures.⁸⁹ The ISC confirmed these reporting discrepancies. With respect to the disbursements between \$199 to \$200, the ISC found that these did not correspond to actual payments by the campaign.⁹⁰ The \$20,000 transfer to a Devolder Organization account, requested by Ms. Marks' staff,⁹¹ was made at a time when that account had a negative balance; in the week after it was transferred to Devolder Organization, it was used to make about \$6,000 worth of purchases at Ferragamo stores, withdraw \$800 in cash from an ATM at a casino, withdraw \$1,000 in cash from an ATM near Representative Santos' apartment, and to pay Representative Santos' rent.

The ISC uncovered more extensive errors and inconsistencies than discussed in public reports or OCE's supplemental information.⁹² There were numerous unreported transfers to and from the campaign bank account, including transfers of campaign funds to accounts owned or controlled by Ms. Marks,⁹³ an unreported \$10,000 transfer from the campaign to Representative Santos' company, Devolder Organization,⁹⁴ and unreported transfers worth over \$50,000 between the campaign and RISE. Those transfers included an \$18,700 January 25, 2022, transfer from the campaign to RISE, a \$7,000 deposit from RISE to the campaign on February 1, 2022, an \$18,800 transfer from the campaign to RISE on April 29, 2022, and two unreported deposits of \$20,060 and \$15,000 from RISE to the campaign on June 21 and September 26, 2022, respectively.⁹⁵

RISE is a New York state political committee that was created by Representative Santos shortly after his 2020 election, which his sister, Tiffany Santos, helped manage, and whose treasurer was Ms. Marks.⁹⁶ According to one campaign staffer, Representative Santos was advised by his campaign counsel to close down RISE while running for federal office.⁹⁷ This guidance was not followed; instead money flowed back and forth between Representative Santos' campaign and RISE and was not reported to the FEC.

⁸⁸ See generally *id.* at 14-24. When referring this matter to the Committee, OCE also stated in its report that there was "evidence of potential falsification of campaign committee bank statements" that Representative Santos provided to OCE, based on a "number of unusual transactions" that were listed on the bank statements and an OCE staff member's informal conversation with a customer service representative of the bank. *Id.* at 16. The ISC compared the bank statements Representative Santos provided to OCE with the records the bank produced to the ISC in response to its subpoena. That comparison did not show that the records produced to OCE were falsified. *Id.* at 18.

⁸⁹ *Id.* at 18-19.

⁹⁰ Despite OCE's suggestion that this may have been to avoid recordkeeping requirements, many of the actual transactions with the reported vendors were for even lower amounts and the ISC was unable to determine the reason for the false disbursement reports.

⁹¹ EXHIBIT 24.

⁹² See EXHIBIT 25 (Transactions Chart, detailing examples of potential expenditures for personal use, discrepancies between bank statements and FEC reports, and unreported transfers between accounts).

⁹³ *Id.* at 2.

⁹⁴ *Id.* at 1.

⁹⁵ *Id.* at 3.

⁹⁶ ISC Interview of Witness 4; ISC Interview of Witness 6; ISC Interview of Witness 3. As noted *infra* Section III.B.1.iii.a, the ISC received substantial evidence that Representative Santos fraudulently obtained at least \$6,000 from RISE using RedStone Strategies, LLC, another company he owned or controlled, and which was also used in a separate scheme to defraud his campaign supporters.

⁹⁷ ISC Interview of Witness 4; see also ISC Interview of Witness 3.

According to Ms. Marks' October 5, 2023, guilty plea, Representative Santos was also involved in a conspiracy to falsify information related to the names of certain campaign contributors; specifically, Ms. Marks testified that she, in agreement with Representative Santos, "filed a list of false donors with the FEC on the year-end 2021 report knowing it was not true, and the donors, who are the real people, didn't give [her] permission to use their names."⁹⁸ As with the falsified loans discussed above, Ms. Marks testified that her and Representative Santos' actions were intended to "benefit and to obtain money for his campaign by artificially inflating his funds to meet thresholds set by a national political committee."⁹⁹

OCE stated in its supplemental information that, based on the testimony of one campaign staffer and its review of the campaign's bank statements, it had identified "a pattern of campaign committee expenditures for travel and other personal services that may not have represented legitimate and verifiable campaign expenditures."¹⁰⁰ Without Representative Santos' cooperation, the ISC was unable to verify whether such expenditures, and others detailed below, were incurred for *bona fide* campaign purposes; however, certain expenditures on their face do not appear to have a campaign nexus.

The campaign incurred significant travel expenses for flights, hotels, Ubers, and meals. Witnesses affiliated with the campaign had conflicting testimony regarding Representative Santos' out-of-district travel. One witness who was involved with the campaign in 2022 testified to OCE that there were only two trips taken out of state during the campaign, to Washington, D.C., and Florida. However, additional witnesses affiliated with the campaign described Representative Santos' out-of-district campaign travel differently to the ISC, with one recalling that he traveled "once per month,"¹⁰¹ whereas another expressed concern about the high-frequency of his out-of-district travel for the campaign.¹⁰² The staffer who had concerns about the amount of travel testified that they were "worried about the look of the campaign spending all this money on . . . all these dinners and travel outside of the district."¹⁰³ The staffer raised those concerns with Representative Santos, who replied: "but these are donor dinners or constituent dinners or, you know, perspective donor dinners."¹⁰⁴ Another staffer who witnessed Representative Santos use campaign funds for meals and Ubers said that they did not have concerns about the spending,¹⁰⁵ but also noted that Representative Santos "was definitely a high roller" who frequently went to donor dinners.¹⁰⁶

In addition to the travel expenses, OCE identified several specific expenditures as raising concerns of potential personal use of campaign funds: \$2,281.52 spent at resorts in Atlantic City from July 23 to July 24, 2022; \$1,400 at Virtual Skin Spa in Jericho, New York in July 2022, and \$225 at CityMD in Huntington, New York on August 27, 2022.¹⁰⁷

⁹⁸ EXHIBIT 23 at 20.

⁹⁹ *Id.*

¹⁰⁰ Appendix B at 21.

¹⁰¹ ISC Interview of Witness 2.

¹⁰² ISC Interview of Witness 3.

¹⁰³ *Id.*

¹⁰⁴ *Id.*

¹⁰⁵ *See* ISC Interview of Witness 1.

¹⁰⁶ *Id.*

¹⁰⁷ Appendix B at 21.

With respect to the Atlantic City expenditures, the ISC did not receive records of any political or campaign events occurring in Atlantic City at that time. Representative Santos' calendar entry for July 23, 2022, was blank, and there was only one event at 8pm on the 24th, titled "NRCC Candidate."¹⁰⁸ Another former staffer did not recall "any sort of fundraising or campaign things in Atlantic City,"¹⁰⁹ but did recall that Representative Santos told him that he enjoyed visiting casinos to play roulette, often with his husband.¹¹⁰

The ISC also identified a July 7, 2022, \$3,332.81 Airbnb expenditure, reported to the FEC as a "Hotel stay."¹¹¹ Review of the campaign's calendar on that date indicated that Representative Santos was "off at [the] Hampton's for the weekend."¹¹²

The ISC also reviewed additional taxi and hotel charges on the campaign credit card that were incurred in Las Vegas in December 2021, during a time when Representative Santos had told his campaign staff that he was on his honeymoon and there were no corresponding campaign events on his calendar.¹¹³

Several other expenditures related to spa services and/or cosmetic procedures could not be verified as having a campaign nexus. For example, during the 2020 campaign, a \$1,500 purchase on the campaign debit card was made at Mirza Aesthetics; this expense was not reported to the FEC and was noted as "Botox" in expense spreadsheets produced to the ISC by Ms. Marks.¹¹⁴ Similarly, the \$1,400 charge at Virtual Skin Spa was a campaign debit card purchase that was also described as "Botox" in the spreadsheets produced by Ms. Marks.¹¹⁵ The ISC also identified an unreported PayPal payment of \$1,029.30 to an esthetician associated with a spa in Rhinebeck, New York.¹¹⁶

In correspondence with the FEC, Representative Santos has admitted that there were "systemic" errors and omissions within his campaign's reports to the FEC, including the existence of the \$199.99 disbursements discussed above.¹¹⁷ According to the letter:

The Campaign's FEC reports appear to be riddled with errors and omissions. The Respondent had no knowledge of the errors and omissions at the time the reports were filed. The Respondent put his trust in his former treasurer - who has filed FEC reports for multiple members of Congress - to accurately keep records and file reports.

¹⁰⁸ EXHIBIT 26. When asked where Representative Santos traveled to meet with donors, one former campaign staffer did raise Atlantic City as a destination he believed the congressman traveled to; however, that staffer was no longer campaign at the time of this particular expenditure. ISC Interview of Witness 1.

¹⁰⁹ ISC Interview of Witness 6.

¹¹⁰ *Id.*

¹¹¹ *See* EXHIBIT 25 at 1.

¹¹² *Id.*; EXHIBIT 26.

¹¹³ ISC Interview of Witness 4.

¹¹⁴ EXHIBIT 27.

¹¹⁵ *Id.*

¹¹⁶ *See* EXHIBIT 25 at 1. One former staffer told the ISC that Representative Santos once brought him to a Botox appointment when there was a campaign event nearby. ISC Interview of Witness 6.

¹¹⁷ EXHIBIT 15 at 6.

This was clearly a mistake. When Respondent learned of these issues, he promptly took steps to rectify these problems. After firing Nancy Marks (the former treasurer), and hiring a new treasurer, the systemic nature of the problems was uncovered. To start, after reviewing the Campaign's bank accounts, there is no evidence the \$199.99 disbursements ever existed. It is unclear why Ms. Marks included these items in the report.¹¹⁸

Although Representative Santos asserted in this correspondence that he was only later made aware of issues with the campaign's FEC reporting, multiple witnesses testified that they had concerns about Ms. Marks' bookkeeping abilities and several raised those concerns directly with Representative Santos.¹¹⁹ One campaign staffer told the ISC that "[i]t was difficult to get an accurate reporting" of contributions that were coming in, and they discussed these issues with Representative Santos on more than five occasions:

A: . . . [T]here were conversations on the phone, on team calls. A lot of team calls. I would say on probably mostly the team calls, and we would talk about reporting. We couldn't get an accurate number of what had actually come in because there were duplicates and incorrect information in the reports.

Q: What was Representative Santos' reaction to being told about your concerns regarding Ms. Marks?

A: I'll talk to her. That was it.¹²⁰

Another member of his campaign staff recalled specifically discussing the campaign's reporting of \$199.99 disbursements with Representative Santos in 2021:

I remember [the \$199.99 disbursements] coming to light, and I couldn't tell you the timeframe. It was near the end of our tenure. And I remember discussing it with [Witness 3] and then bringing it up to at least George and I can't recall if Nancy as well. But we didn't receive a satisfactory answer. It was just, well, I'll have to check with Nancy, get clarification on that. We never really got a straight answer on that.¹²¹

While Representative Santos was made aware of these concerns on multiple occasions, no changes were made to address those concerns, and as noted previously he was actively conspiring with Ms. Marks to falsify his campaign's reports. Furthermore, while the campaign has provided more accurate information related to the 2022 personal loans in its recent reports, it has not

¹¹⁸ *Id.* at 5-6.

¹¹⁹ *See e.g.*, ISC Interview of Witness 3; ISC Interview of Witness 6.

¹²⁰ ISC Interview of Witness 2.

¹²¹ ISC Interview of Witness 4.

amended past reports to address the loan discrepancies or any of the other systemic errors discussed above, such as the \$199.99 disbursements and unreported transfers and disbursements.

b. Relevant Laws, Rules, and Other Applicable Standards of Conduct

Campaign committees must file reports disclosing all receipts and disbursements.¹²² These reports must include, among other things, the amount and nature of the receipts and disbursements.¹²³ In addition, the reports must disclose “the identification of each person . . . who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of \$200 within the calendar year . . . together with the date and amount of any such contribution.”¹²⁴

The individual contribution limit during the 2021-2022 election cycle was \$2,900 per election.¹²⁵ On June 23, 2022, the FEC released an Advisory Opinion (AO) that allowed candidates in the state of New York to accept an additional \$2,900 due to the primary election date changing from June 28, 2022, to August 23, 2022.¹²⁶ A campaign committee may accept up \$5,000 per year from a nonconnected PAC.¹²⁷

As noted previously, FECA and its implementing regulations prohibit the use of campaign funds for personal use.¹²⁸ A contribution shall be considered to be converted to personal use if it is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate’s election campaign or duties as a federal officeholder.¹²⁹ The *Ethics Manual* also notes that certain kinds of campaign outlays, such as expenditures for travel, meals, and the purchase of goods and services “by their nature raise a concern of personal use.”¹³⁰ As discussed above, House Rule XXIII, clause 6(b) states a “Member, Delegate, or Resident Commissioner may not convert campaign funds to personal use in excess of an amount representing reimbursement for legitimate and verifiable campaign expenditures.” Accordingly, the *Ethics Manual* explains Members “must be able to verify that campaign resources have not been so misused.”¹³¹

In addition, all funds of a political committee “shall be segregated from, and may not be commingled with, the personal funds of any individual.”¹³²

¹²² 52 U.S.C. § 30104.

¹²³ 52 U.S.C. § 30104(b)(2), (4); 11 C.F.R. § 104.3(a), (b).

¹²⁴ 52 U.S.C. § 30104(b)(3).

¹²⁵ *Contribution Limits for 2021-2022*, FEC, <https://www.fec.gov/updates/contribution-limits-2021-2022/>. See also 11 C.F.R. § 110.1(c) (noting that the contribution limit shall be adjusted by the percent difference in the price index every two-year period).

¹²⁶ FEC AO NRCC (AO 2022-08) at 4 (noting “separate contribution limits are permitted when a judicial decision creates a new election under the Act and Commission regulations.”) (internal citations omitted).

¹²⁷ *Limits on Contributions Made by Nonconnected PACs*, FEC, <https://www.fec.gov/help-candidates-and-committees/making-disbursements-pac/contribution-limits-nonconnected-pacs/>.

¹²⁸ See 52 U.S.C. § 30114(b)(1); 11 C.F.R. § 113.2(e).

¹²⁹ 52 U.S.C. § 30114(b)(2).

¹³⁰ *Ethics Manual* at 176.

¹³¹ *Id.* at 162.

¹³² 52 U.S.C. § 30102(b)(3).

Furthermore, paragraph 2 of the Code of Ethics for Government Service requires Members to uphold the laws and regulations of the United States, including provisions of the FECA and the FEC's implementing regulations, and to never be a party to their evasion. Finally, House Rule XXIII, clause 1, states that "[a] Member . . . of the House shall behave at all times in a manner that shall reflect creditably on the House."

c. Findings

The ISC determined that the systemic errors and omissions in Representative Santos' campaign reporting were more than mere carelessness by his treasurer; rather, they were part of an overall scheme to avoid transparency about his campaign's finances. The myriad reporting errors obscured numerous suspect transactions, including unreported transfers of funds directly to Representative Santos' personal and business accounts, as well as expenditures raising significant concerns of potential personal use of campaign funds. At minimum, Representative Santos failed to take reasonable steps to prevent or correct the errors despite concerns raised to him by his campaign staff, resulting in the misreporting of substantial sums of receipts and disbursements.

By engaging in the above conduct, Representative Santos failed to uphold the laws and regulations of the United States, including provisions of FECA and its implementing regulations, and was a party to their non-compliance, in violation of paragraph 2 of the Code of Ethics for Government Services. As a result of Representative Santos' poor campaign recordkeeping, the legitimacy of his campaign spending cannot be verified and has called into question the integrity of the House, contrary to clauses 1 and 6 of House Rule XXIII, the Code of Official Conduct.

iii. Fraudulent Political Contribution Scheme

a. Background

On November 1, 2021, RedStone Strategies LLC (RedStone), a Florida-based limited liability company, was formed in Florida.¹³³ RedStone was created shortly after a congressional campaign committee raised complaints against Red Strategies USA LLC (Red Strategies), another company affiliated with Representative Santos, which had been formed in May 2021.¹³⁴

An individual who worked for another New York congressional campaign during the 2022 election cycle informed the ISC that Representative Santos had introduced Red Strategies to the other campaign in 2021, describing it as "a widely used [] campaign organization for plenty of the politicians in Mar-a-Lago."¹³⁵ Representative Santos made it seem like he had never met the other

¹³³ See RedStone Strategies LLC, *Articles of Organization For Florida Limited Liability Company Filed with the Secretary of State of Florida* (filed Nov. 1, 2021).

¹³⁴ Representative Santos' company, Devolder Organization, was an authorized manager of Red Strategies, along with other companies managed by Representative Santos' former colleagues at Harbor City Capital. Red Strategies ceased operations shortly after it was accused of misusing a congressional committee's funds. EXHIBIT 28. Witness 7, who was affiliated with the congressional committee, told the ISC that Representative Santos was responsible for introducing Red Strategies to the political committee in the first place and accused him of "orchestrat[ing] everything." ISC Interview of Witness 7. The congressional committee terminated its contracts with Red Strategies in October 2021.

¹³⁵ ISC Interview of Witness 7.

individuals involved with the company, who were in fact all associates of his, and he did not disclose his own role in the company.¹³⁶ Red Strategies was hired by that campaign and made over \$110,000 for “digital consulting and fundraising” and “compliance consulting.”¹³⁷ The campaign “cut total ties with Red Strategies” when the campaign staffer realized that Representative Santos had not disclosed his connection to the company.¹³⁸ In December 2021, the staffer confronted Representative Santos about Red Strategies via text message, stating: “You pretended you didn’t even know the company when you actually own the company” and “you opened the company [M]ay 4th.”¹³⁹ In response, Representative Santos attempted to deny having any affiliation to Red Strategies at the time he introduced the company to the campaign. He stated that he “bought into [Red Strategies at the] end of [A]ugust,” even though Devolder Organization had been listed on the initial corporate filings in May 2021, and defended himself as “a business man with a very good reputation for 13 years.”¹⁴⁰

RedStone had two authorized managers: Representative Santos’ single-member LLC, Devolder Organization, and Jayson Benoit & Associates Inc. Representative Santos exchanged text messages with his business associate regarding RedStone’s corporate formation¹⁴¹ and both individuals were authorized signers on RedStone’s checking and savings bank accounts.¹⁴² According to bank account opening documents, RedStone provided “[p]olitical services,” and in January 2022, Representative Santos signed a contract as RedStone’s “Managing Partner” with REVV LLC, a firm that offers online donation platform services.¹⁴³ However, Representative Santos also used his RedStone email account to engage in capital introduction services¹⁴⁴ and, as detailed later in this section, the company was described as an independent expenditure political committee formed “exclusively” to aid Representative Santos’ congressional campaign.

Representative Santos received funds from RedStone on various occasions in 2022. According to bank records, at least \$200,000 was transferred from RedStone’s bank accounts to Representative Santos’ personal bank accounts.

¹³⁶ *Id.*

¹³⁷ Candidate 1 for Congress, Second Amended October 2021 Quarterly Report of Receipts and Disbursements (Dec. 25, 2021). Witness 7 also stated that Nancy Marks was the treasurer of this campaign, and that she raised complaints about Ms. Marks to Representative Santos “at least 10” times, including related to her lack of responsiveness, failure to provide information to the candidate, and inability to timely pay campaign staff (including this individual). Furthermore, Representative Santos took no action to correct Ms. Marks’ errors and “was almost out the door [leaving Red Strategies]” by the time FEC filings were made for the campaign. ISC Interview of Witness 7.

¹³⁸ *Id.*

¹³⁹ EXHIBIT 29.

¹⁴⁰ *Id.*

¹⁴¹ EXHIBIT 30.

¹⁴² EXHIBIT 31.

¹⁴³ *Id.*; See EXHIBIT 33; see also EXHIBIT 35 (text exchange from Representative Santos introducing RedStone and Individual 2 to a campaign manager and noting that RedStone “raises high dollar donations for me with a 20% commission fee.”).

¹⁴⁴ See e.g., EXHIBIT 34; EXHIBIT 36.

On April 1, 2022, Representative Santos sent a text message to one of Ms. Marks' staffers with access to the account for RISE,¹⁴⁵ Individual 3: "Please do this wire for rise ASAP[.] It's for ads that we were supposed to pay and I forgot," and included wire instructions for RedStone he had received from Individual 2 earlier that day.¹⁴⁶ Following this text exchange, \$6,000 was transferred from RISE to RedStone, which was then transferred from RedStone to Representative Santos' personal checking account.¹⁴⁷ Prior to the \$6,000 transfer, Representative Santos' personal checking account had a balance of \$136.93.¹⁴⁸ The ISC did not find evidence that Representative Santos used the funds from RISE to pay for advertisements; after the funds were deposited, \$5,000 was withdrawn and personal credit card balances were paid.¹⁴⁹

In October 2022, an individual using a RedStone email account contacted Contributor 1 and Contributor 2 seeking contributions to RedStone to support Representative Santos' candidacy.¹⁵⁰ In those solicitations, RedStone was identified as an independent expenditure committee "set up to exclusively" support Representative Santos' candidacy,¹⁵¹ and "dedicated to helping George Santos win NY-03."¹⁵² Despite these representations, RedStone was not registered with the FEC. Representative Santos also contacted Contributor 2 directly, sending the following message: "I'm needing some help on the outside for next week on TV" . . . "Can I have the guys from the outside give you a buzz? Can you help?" . . . "It's coming down to the wire and these people are on me."¹⁵³

On October 21, 2022, RedStone's bank account received a \$25,000 wire from an account affiliated with Contributor 2.¹⁵⁴ From there, \$25,000 was transferred from RedStone's account to Representative Santos' personal checking account.¹⁵⁵ On October 26, 2022, RedStone's bank account received a \$25,000 wire from an account affiliated with Contributor 1.¹⁵⁶ On the same date, the \$25,000 was transferred from RedStone to a different personal checking account owned by Representative Santos.¹⁵⁷ After the \$50,000 from RedStone was deposited into Representative Santos' personal accounts, the funds were used to, among other things: pay down personal credit card bills and other debt; make a \$4,127.80 purchase at Hermes; and for smaller purchases at Only

¹⁴⁵ As noted previously, RISE is a state political committee registered in New York. A former senior member of Representative Santos' campaign staff told the ISC that they were worried about the legality of this political committee and Representative Santos' involvement and fundraising for it. ISC Interview of Witness 3.

¹⁴⁶ EXHIBIT 37. *See also* EXHIBIT 38 (text messages between Representative Santos and Individual 2, during which Representative Santos stated that another client asked to pay him using RedStone's account. When Individual 2 asked Representative Santos "[w]hy not have them wire to your personal business acct" Representative Santos responded "Subpena [sic] Long story The [Individual 7] thing has gotten really messy in my life," referring to Individual 7, the founder of Harbor City Capital).

¹⁴⁷ RedStone Strategies Savings Account April 1, 2022 Bank Statement; Personal Checking Account #1 April 2022 Bank Statement.

¹⁴⁸ Personal Checking Account #1 April 2022 Bank Statement.

¹⁴⁹ *Id.*

¹⁵⁰ EXHIBIT 39; EXHIBIT 40; EXHIBIT 41.

¹⁵¹ EXHIBIT 40.

¹⁵² EXHIBIT 39.

¹⁵³ EXHIBIT 42.

¹⁵⁴ RedStone Strategies Checking Account October 31, 2022 Bank Statement.

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ *Id.*

Fans; Sephora; and for meals and for parking.¹⁵⁸ The ISC did not find evidence showing that the contributions received from Contributors 1 and 2 were used to support Representative Santos' candidacy.¹⁵⁹ In addition, a senior member of Representative Santos' campaign staff told the ISC: "the only independent expenditure that was helping [the campaign] was the NRCC doing their thing that they would do for [Y]oung [G]uns, but I don't recall RedStone Strategies."¹⁶⁰

In May 2023, a federal indictment alleged that Representative Santos "devised and executed a scheme to defraud supporters of his candidacy for the House and to obtain money from them by fraudulently inducing supporters to contribute to Company #1 [RedStone Strategies] under the false pretense that the money would be used to support [his] candidacy" through the purchase of advertisements and other expenditures.¹⁶¹ Representative Santos was charged with using contributions raised from Contributors 1 and 2 for personal expenses, including luxury designer items and credit card payments.¹⁶²

Following the indictment, Representative Santos publicly distanced himself from RedStone: he denied that he ever served as a manager of RedStone (despite signing contracts on its behalf as a Managing Partner) and said that his name was included in its business filings in error (despite exchanging texts with his co-owner regarding the firm's initial corporate filings).¹⁶³ Months prior to the filing of the indictment, the ISC requested records from Representative Santos related to RedStone, and his counsel provided a 1099 tax form indicating Representative Santos received \$176,298.06 in nonemployee compensation from RedStone.¹⁶⁴ Representative Santos did not provide the ISC with other records, such as his communications, related to RedStone.

b. Relevant Laws, Rules, and Other Applicable Standards of Conduct

18 U.S.C. Section 1343 states:

Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of

¹⁵⁸ Personal Checking Account #1 November 16, 2022 Bank Statement; Personal Savings Account #1 October 31, 2022 and November 30, 2022 Bank Statements.

¹⁵⁹ There was some evidence that other funds received by RedStone were used to support Representative Santos' candidacy. On October 4, 2022, Individual 4 transferred \$100,000 to RedStone's bank account. RedStone Strategies Checking Account October 31, 2022 Bank Statement. Prior to making this transfer, Individual 4 had received an email on September 12, 2022 regarding her "pledge for \$100,000 to Redstone Action to help elect George Santos to Congress representing NY-03." EXHIBIT 43. On October 5, 2022, \$100,000 was transferred from RedStone's bank account to Representative Santos' personal account. On October 10, 2022, a \$100,000 check from the same personal account was issued to Representative Santos' campaign committee and deposited on October 13, 2022. While there is evidence that some funds solicited on behalf of RedStone were used to benefit Representative Santos, this appears to have been an excessive campaign contribution masked as a personal loan by Representative Santos. The ISC did not further investigate whether this was an excessive contribution due to investigative concerns raised by DOJ.

¹⁶⁰ ISC Interview of Witness 6.

¹⁶¹ Indictment at 2-3, *United States v. Santos*, No. 23-CR-197 (JS) (AYS) (E.D.N.Y. filed May 9, 2023).

¹⁶² *Id.* at 7.

¹⁶³ William Bredderman, *George Santos Didn't Just Bilk Donors – GOPers Say He Conned Them Too*, THE DAILY BEAST (May 18, 2023), <https://www.thedailybeast.com/republicans-say-george-santos-lied-and-scammed-them-through-his-company-redstone-strategies>.

¹⁶⁴ EXHIBIT 44.

false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined under this title or imprisoned not more than 20 years, or both.

Pursuant to paragraph 2 of the Code of Ethics for Government Services, Members are expected to uphold the laws and legal regulations of the United States, and never be a party to their evasion. Members must also act in a manner that reflects creditably on the House, pursuant to House Rule XXIII, clause 1.

c. Findings

As detailed above, there is substantial evidence that Representative Santos participated in and financially benefited from a fraudulent scheme involving RedStone. At least three individuals transferred funds to RedStone after being told the money would be used for political purposes, when in fact the funds were transferred to Representative Santos' personal accounts.¹⁶⁵ Representative Santos furthered the scheme through lies and misrepresentations about the nature of his connection to RedStone, just as he had done with a predecessor company, Red Strategies.

Representative Santos' fraudulent activities through RedStone were one of many ways he sought to exploit his campaign, and the access to wealthy donors it afforded him, for his own personal profit. These actions did not reflect creditably on the House and resulted in a failure by Representative Santos to uphold laws and regulations of the United States. Accordingly, the ISC found Representative Santos violated House Rule XXIII, clause 1, and paragraph 2 of the Code of Ethics for Government Services in connection with this conduct.

2. Willful and Knowing Financial Disclosure Violations

i. Background

First as a candidate and then as a Member, Representative Santos has been subject to statutory requirements to file FD Statements since 2020.¹⁶⁶ Despite this, Representative Santos has failed to file two of his required FD Statements and made numerous errors and omissions in

¹⁶⁵ Even if the funds from Contributors 1 and 2 had been used for his campaign, they would have constituted excessive contributions. Federal candidates and their agents may raise funds on behalf of Super PACs, "so long as they only solicit funds subject to [FECA's] amount limitations and source prohibitions – *i.e.*, up to \$5,000 from individuals (and any other source not prohibited by the Act from making a contribution to a political committee)." *See Fundraising for Super PACs by Federal Candidates*, FEC, [¹⁶⁶ As a candidate in 2020, 2021, and 2022, Representative Santos' FD Statements needed to include information related to the prior calendar year through a date within 30 days of the filing. *See Comm. on Ethics, Instruction Guide: Financial Disclosure Statements and Periodic Transaction Reports \(2020\)* \(hereinafter *Committee Financial Disclosure Instruction Guide*\).](https://www.fec.gov/help-candidates-and-committees/making-disbursements-pac/fundraising-super-pacs-federal-candidates-nonconnected-pac/#:~:text=Federal%20candidates%20and%20officeholders%20may,the%20Act%20from%20making%20a; see also FEC AO Majority PAC and House Majority PAC (AO 2011-12).</p></div><div data-bbox=)

the two FD Statements that he did file (one of which he filed over three months late). To date, he has not filed the necessary amendments or late disclosures for the relevant years. Committee staff has repeatedly informed Representative Santos and his counsel that he should make the necessary amendments and filings. Prior to his swearing-in, Committee staff also advised his staff of the FD filing requirements and offered to meet with the Congressman to discuss his business and other activities. Despite this outreach, Representative Santos did not meet with Committee staff about his FD Statements and has taken no steps to address the Committee's concerns.¹⁶⁷ In a recent interview, he cast himself as a victim, someone who is being held to a different standard and was never told by the Committee to correct his FD filings.¹⁶⁸ This is just another fraud on the electorate.

Representative Santos, through counsel, told the ISC that a professional tax preparer assisted with his FD Statements from 2020 to 2022. The tax preparer that Representative Santos identified, however, denied assisting with any FD Statements, and informed the ISC she "did no work [for Representative Santos] other than tax filings" from 2018-2019.¹⁶⁹ In fact, there is no evidence that anyone assisted Representative Santos with his FD Statements. Records from the online disclosure system indicate that it was Representative Santos himself who filed his 2020 and 2022 statements.¹⁷⁰ Even if he had received assistance from the tax preparer or any other individual, all filers are personally required to certify that FD Statements submitted to the House are "true, complete, and correct to the best of my knowledge and belief."

Representative Santos provided only limited information about his finances to the ISC, including copies of tax returns prepared for him for fiscal years 2020 and 2021; those returns were prepared approximately two weeks after the ISC sent its RFI and it is not clear whether Representative Santos has paid the more than \$25,000 in taxes he owed at that time. Representative Santos also told the ISC that he was the Vice President of Linkbridge Investors from August 2017 through January 2020 and worked for a Florida-based internet marketing company, Harbor City Capital, from July 2020 through April 2021.¹⁷¹ According to his response to the ISC, the only other position he has held since he first became a candidate for congress was "Sole Proprietor, DeVolder Organization LLC."¹⁷²

The "Devolder Organization" is at the center of much of Representative Santos' fictional financial narrative. He has described it as "his family's firm," both on his campaign website and

¹⁶⁷ Committee staff did speak with Representative Santos and his staff regarding general ethics requirements; during that meeting Representative Santos told Committee staff he would be filing amended FD Statements, which he did not do.

¹⁶⁸ See *CNN Reporter Confronts George Santos About his Lies*, CNN, at 7:50 (Nov. 5, 2023), <https://www.youtube.com/watch?app=desktop&v=sdfaG6QY9pM>.

¹⁶⁹ Representative Santos claimed documents related to Devolder Organization (including any organizational and operating documents, financial statements, balance sheets, or profit and loss statements) would be in the tax preparer's possession; however, the tax preparer denied having been affiliated in any way with Devolder Organization. See Appendix C.

¹⁷⁰ IP addresses used to access the online disclosure system originated from locations where Representative Santos resided at the time. The same IP addresses were also used in connection with online payments that Representative Santos made on his personal credit cards.

¹⁷¹ Appendix C.

¹⁷² *Id.* Although the response stated that counsel was "still working on compiling" the requested information, no further information was provided to the ISC.

to members of his campaign staff.¹⁷³ The company was not, however, an established investment fund or wealth management vehicle for the Devolder family fortune, as Representative Santos seemed to imply. Representative Santos formed Devolder Organization LLC, a Florida limited liability company, of which he is the sole owner, in May 2021.¹⁷⁴ Devolder Organization was listed as one of several Florida corporations to form the political consulting firm Red Strategies, which was also established in May 2021 and was dissolved in September 2022.¹⁷⁵ Additionally, Representative Santos, through Devolder Organization, had an ownership interest in the company RedStone. RedStone was formed in Florida on November 1, 2021, and was dissolved on January 25, 2023.¹⁷⁶ The Devolder Organization was listed as party to several business dealings with individuals who also happened to be major campaign contributors.¹⁷⁷ The earliest any of those deals appears to have even been contemplated was in early 2022, nearly a year after Devolder Organization was formed, when Representative Santos met with executives of a large insurance company affiliated with donors to his campaign. He was ultimately involved in introducing the executives to another campaign donor in the insurance industry and received a commission in December 2022, following the large insurance company's acquisition of the other business. The earliest payment Representative Santos seems to have received for his "consulting" work through Devolder Organization was only a few months prior, in early October 2022.¹⁷⁸ In fact, other than these two payments, all of Devolder Organization's reported "consulting income" in 2021 and 2022 appears to have come from either cash deposits or transfers from other bank accounts controlled by or accessible to Representative Santos, such as Devolder-Santos for Congress and RedStone.

The ISC's record tells a story of Representative Santos' personal finances that is drastically different from what he disclosed on his FD Statements, and even more irreconcilable with the narrative he broadcast to his constituents, campaign supporters, and staff. Several witnesses told

¹⁷³ See ISC Interview of Witness 1; ISC Interview of Witness 3. The campaign's website has since been updated to remove references to Devolder Organization altogether. *Compare About George Santos*, GEORGE SANTOS FOR CONGRESS (last visited Nov. 7, 2023), <https://georgeforny.com/about/> with <https://web.archive.org/web/20211021044924/https://georgeforny.com/about/>.

¹⁷⁴ Devolder Organization LLC, *Articles of Organization For Florida Limited Liability Company Filed with the Secretary of State of Florida* (filed May 11, 2021).

¹⁷⁵ Red Strategies USA, LLC, *Articles of Organization For Florida Limited Liability Company Filed with the Secretary of State of Florida* (filed May 4, 2021); Red Strategies USA, LLC, *Admin Dissolution for Annual Report Filed with the Secretary of State of Florida* (filed Sept. 23, 2022).

¹⁷⁶ RedStone Strategies LLC, *Articles of Organization For Florida Limited Liability Company Filed with the Secretary of State of Florida* (filed Nov. 1, 2021); RedStone Strategies LLC, *Articles of Dissolution Filed with the Secretary of State of Florida* (filed Jan. 25, 2023).

¹⁷⁷ The ISC received some documents and testimony relating to those dealings but did not receive evidence establishing that the payments to Representative Santos were intended as contributions to his campaign. See also ISC Interview of Witness 9 (insurance executive with Company 1 involved in one of those deals testified that Representative Santos' campaign was not discussed with him in connection with the deal). At the request of DOJ, the ISC did not obtain testimony from other individuals involved in 2022 business deals with Representative Santos and his campaign contributors. The ISC noted, however, that the timing of the other deals was suspect, with the proceeds transferred to Representative Santos' campaign just in time for him to make personal loans to his campaign in September and October 2022.

¹⁷⁸ Representative Santos did receive a \$450,000 payment from Individual 4 to his personal account in September 2022. The ISC received records suggesting that the payment related to a partially executed promissory note between Devolder Organization and Individual 4; however, as noted previously, the ISC had serious questions regarding this payment given the timing of this transfer in connection with personal loans Representative Santos made to his campaign.

the ISC how Representative Santos would boast of significant wealth and claim to have access to a “trust” managed by a “family firm.”¹⁷⁹ In contrast, Representative Santos was frequently in debt, had an abysmal credit score, and relied on an ever-growing wallet of high-interest credit cards to fund his luxury spending habits. He occasionally deposited large amounts of cash that he has never accounted for, moved money between his various bank accounts in a highly suspicious manner, and made over \$240,000 cash withdrawals for unknown purposes.

Throughout both of his campaigns, Representative Santos referenced a background in finance as part of his qualifications for election to the House; that background was largely fictional. Representative Santos sold himself as a candidate based on that fiction. In one 2020 candidate survey, he claimed, “I have an extensive background in money management/growth and I’m good at it. I believe I can bring my expertise to the [House] and help create a balance on costs and balancing budgets,” and in 2022 he asserted on the survey that he wanted to serve on the House Financial Services Committee, “[b]ecause of my experience in the finance world, this is where I would be able to best serve my constituents and the country.”¹⁸⁰ Had Representative Santos filed accurate and complete FD Statements, his constituents may have had cause to question whether he was actually “good at” money management and growth, or balancing costs and budgets—or, indeed, whether he had any experience in finance at all.

*a. 2020 FD Statement Errors and Omissions*¹⁸¹

Representative Santos first ran for Congress in 2020. On May 11, 2020, Representative Santos filed the FD Statement required of candidates who raise or spend more than \$5,000 in a campaign for election to the House. The 2020 FD Statement was certified by Representative Santos as “true, complete, and correct to the best of my knowledge and belief.”

Representative Santos reported no assets, and the only income he reported was his receipt of a “Salary, Commission and Bounus [sic]” of \$55,000 from Linkbridge Investors for calendar year 2019.¹⁸² He listed his income from Linkbridge as “N/A” for 2020, and listed an unquantified “Commission Bonus” from Linkbridge in the section of the FD Statement that requires disclosure of compensation in excess of \$5,000 received from a single source for the filing year and two preceding calendar years.

While the modest income indicated on the 2020 FD Statement was far closer to the truth than the story he was weaving during his campaign, the filing still did not accurately reflect Representative Santos’ actual finances. Representative Santos did not provide his 2019 tax return and related underlying documents to the ISC. His counsel asserted early in the ISC’s investigation that this was because his “2019 taxes [sic] filings [] are not in his possession,”¹⁸³ but Representative Santos failed to obtain and produce those records, which would be available to him

¹⁷⁹ See e.g., ISC Interview of Witness 1; ISC Interview of Witness 3.

¹⁸⁰ George Santos, BALLOTPEDIA, https://ballotpedia.org/George_Santos (last visited Nov. 7, 2023).

¹⁸¹ Superseding Indictment at 37, *United States v. Santos*, No. 23-CR-197 (S-1) (JS) (AYS) (E.D.N.Y. filed Oct. 10, 2023) (hereinafter Superseding Indictment).

¹⁸² Representative Santos’ Amended 2020 Financial Disclosure Statement (filed May 11, 2020). Representative Santos originally filed an FD statement listing no assets, but filed an amended FD Statement the same day.

Representative Santos’ 2020 Financial Disclosure Statement (filed May 11, 2020).

¹⁸³ Appendix C.

through the IRS, at any point during the ISC’s review. Nonetheless, the ISC obtained documents showing Representative Santos made only \$27,555 from Linkbridge Investors in 2019.¹⁸⁴ Representative Santos did not disclose his income from Harbor City Capital or his position with the company during the reporting period.

Representative Santos has not provided any explanation for why he failed to accurately report his income on the 2020 FD Statement. In two credit card applications submitted in May 2020, including one submitted *the same day* as his FD Statement, Representative Santos listed his annual income as \$85,000.¹⁸⁵

In an attempt to write-off concerns related to his income discrepancies, Representative Santos stated in a May 10, 2023, interview with MSNBC:

So, the way I look at it is, they’re not understanding. The question is simple. George, why was your income 55-thousand in 2020? And why is your income drastically higher [in 2022]? Well, here’s the answer to that: We struck a deal with a company so nobody went unemployed and got reduced to like a very basic salary. As we called it “livable wages” in the company, so we could get by. Because our industry was capital introduction via vis-à-vis conferences, vis-à-vis speed dating, all that in private equity, and managing limited-partner, general-partner relationships in investment groups. So, long story short, I went from 2019 bringing in 400-and-something-thousand dollars, to yeah, in 2020 my reported income was 55k. Couldn’t be more legitimate. I actually qualified for unemployment.¹⁸⁶

However, based on the ISC’s review of his bank accounts, there is no record of him earning income over \$400,000 for the year 2019, nor has he provided evidence of any investments or assets he held in 2019-2020.

b. Failure to File 2021 FD Statement and Confrontation with Campaign Staff over FD issues

Representative Santos launched another campaign for Congress for the 2022 election. Representative Santos qualified as a “candidate” as early as January 15, 2021.¹⁸⁷ He was required to file an FD Statement by May 15, 2021, disclosing his financial information for the prior calendar year through a date within 30 days prior to the date of filing. He did not do so.

¹⁸⁴ EXHIBIT 45.

¹⁸⁵ EXHIBIT 46; EXHIBIT 47.

¹⁸⁶ Ari Melber, *Hear George Santos on indicted money scheme and his joke about ‘Jews’*, MSNBC, at 0:34-1:30 (May 10, 2023), <https://www.msnbc.com/the-beat-with-ari/watch/hear-george-santos-on-indicted-money-scheme-and-his-joke-about-jews-exclusive-audio-173897797563>. Later in the interview, Representative Santos also stated, “I had also previously in my career had run into good fortune in business.” *Id.* at 4:06. While it is true that Representative Santos received unemployment in 2020, discussed *infra*, Representative Santos received only \$49,160 from Linkbridge Investors in 2018. EXHIBIT 48.

¹⁸⁷ By January 15, 2021, Representative Santos’ authorized campaign committee had raised over \$5,000.

In response to the ISC’s March 10, 2023, RFI, Representative Santos produced tax returns for 2020 and 2021 that are dated as having been prepared March 23, 2023, and include his 2023 address. The 2020 return and related documents show that Representative Santos reported \$91,379 in total income to the IRS for calendar year 2020, including \$79,019 in business income and \$22,560 in unemployment compensation.¹⁸⁸ He listed his profession as “consulting” and his business as “Devolder Organization,” even though Devolder Organization LLC did not exist until May 10, 2021, after the tax reporting period covered by the return. He did not disclose the \$34,230.62 in income he received from Harbor City Capital that year, for which he had been provided a Form 1099.¹⁸⁹ It is not clear why that 1099 income is not disclosed on the relevant line of his 2021 tax return, since he provided a copy of the Form 1099 to the ISC the day after the returns were filed.

In addition to disclosing his income, Representative Santos was required to disclose his position with Harbor City Capital. Representative Santos has not provided any information about why he failed to file his FD Statement with the House in 2021, but the ISC received evidence that he was concerned about the potential political impact of his involvement with Harbor City Capital, which was the subject of an SEC enforcement action announced in April 2021.¹⁹⁰

One of Representative Santos’ campaign consultants testified that, as early as November 2021, she explicitly discussed the required 2021 FD Statement with Representative Santos, who told her, “it’s handled.”¹⁹¹ Additionally, in December 2021, Representative Santos’ campaign consultants confronted him about an internal Vulnerability Report that highlighted the inconsistencies between his 2020 filing and his public pronouncements of wealth, as well as his complete failure to make the required filing for 2021.¹⁹²

Representative Santos’ campaign consultant sent him a brief summary of “potential attacks” at his request, highlighting that his “personal financial disclosure (or lack thereof) [was] a massive problem”¹⁹³ for several reasons: (i) “[e]ven if/when you go back and amend past reports or file new disclosures this cycle, it looks as if you are hiding assets”; (ii) “[w]hile you believe it is fine to keep assets under a trust, your lifestyle (heavily documented on social media), real estate holding, campaign contributions, etc. portray a very different reality. This adds to the fraud narrative”; (iii) “[t]here is a very likely chance you will be targeted by the IRS for a personal

¹⁸⁸ Representative Santos’ 2020 Tax Return (Mar. 23, 2023). It is unclear whether the reported income included \$34,230.62 in compensation from the company HC Associates, Inc., affiliated with Harbor City Capital. Additionally, Devolder Organization was formed in May 2021, according to state filings but was listed on the 2020 tax return; the ISC received no evidence that Devolder Organization was operating in 2020, whether via bank statements or corporate documents.

¹⁸⁹ EXHIBIT 49.

¹⁹⁰ ISC Interview of Witness 4.

¹⁹¹ ISC Interview of Witness 3.

¹⁹² EXHIBIT 50.

¹⁹³ In a December 3, 2021 email, one of Representative Santos’ campaign consultants circulated a “Vulnerability One-Pager” to another consultant, noting “George asked me to ‘explain’ the issues with each of the hits.” EXHIBIT 51. Representative Santos followed up on December 6, 2021, asking for the document, which he described as “the worse-case scenario messaging you’d do if you were my opponents GC.” EXHIBIT 52. That same day, his campaign consultant sent him the “one-pager,” with the header “Top Hits & Potential Attacks,” which came to three pages. EXHIBIT 51.

financial audit”; and (iv) “[w]hile you are not directly implicated in any of your former employers [sic] legal and criminal complaints, the fact that you have a pattern for working with/for employers who have all come under legal and financial scrutiny adds to the ‘fraud’ narrative.”¹⁹⁴

In response to concerns raised by his campaign consultants, Representative Santos denied the findings in the vulnerability study, and for every concern raised, he made an excuse.¹⁹⁵ He told one of the campaign consultants that his sparse 2020 FD Statement could be reconciled with his claims of wealth because he did not need to disclose a “family trust.”¹⁹⁶ The ISC found no evidence that such a trust exists.

*c. 2022 FD Statement Errors and Omissions*¹⁹⁷

As a candidate in the 2022 election, Representative Santos was also required to file an FD Statement by May 15, 2022.¹⁹⁸ This FD Statement was certified by Representative Santos as “true, complete, and correct to the best of my knowledge and belief.” Representative Santos filed his FD Statement over three months late, on September 6, 2022. He did not request a filing extension for his 2022 FD Statement, and he has not addressed why this report was filed late. The Committee has no record of him paying the required late filing fee.

Representative Santos reported four assets: (i) an apartment in Rio de Janeiro, Brazil valued between \$500,001 and \$1,000,000; (ii) a checking account with between \$100,001 and \$250,000; (iii) a savings account with between \$1,000,001 and \$5,000,000; and (iv) 100% ownership of Devolder Organization, valued between \$1,000,001 and \$5,000,000, with dividends of over \$1,000,001 in both 2021 and 2022.¹⁹⁹ Each of these disclosures was false.

As Representative Santos informed the Committee, through his counsel, he “does not and has never owned real property.”²⁰⁰ He had not disclosed any real property on his prior FD Statement and has provided no explanation for why it was included on his 2022 FD Statement. However, the ISC received testimony from several witnesses indicating that Representative Santos commonly claimed to own property, not just in Brazil but also in New York and Florida.²⁰¹ During his 2022 campaign, Representative Santos claimed to own 13 rental properties and discussed how the pandemic era eviction moratorium affected him as a landlord.²⁰²

¹⁹⁴ EXHIBIT 51.

¹⁹⁵ ISC Interview of Witness 3.

¹⁹⁶ *Id.* Witness 3 also believed that this trust was the source of Representative Santos’ wealth, including the source for loans to his campaign. *Id.*

¹⁹⁷ *See also* Superseding Indictment at 37-38.

¹⁹⁸ *Committee Financial Disclosure Instruction Guide* at 3. *But see* Representative Santos’ 2022 Financial Disclosure Statement (filed Sept. 6, 2022) (Representative Santos listed the “period covered” as January 1, 2021 through December 31, 2022, despite a portion of that time being in the future from the date of filing).

¹⁹⁹ Representative Santos’ 2022 Financial Disclosure Statement (filed Sept. 6, 2022).

²⁰⁰ Appendix C.

²⁰¹ E.g., ISC Interview of Witness 3; ISC Interview of Witness 6; ISC Interview of Witness 5; ISC Interview of Individual 1.

²⁰² Grace Ashford and Michael Gold, *Who is Rep.-Elect George Santos? His Resume May Be Largely Fiction*, THE NEW YORK TIMES (Dec. 19, 2022), <https://www.nytimes.com/2022/12/19/nyregion/george-santos-ny-republicans.html>.

With respect to the checking account and savings account disclosed by Representative Santos,²⁰³ the Committee found no record of him having a savings account or any personal bank account that *ever* had more than \$100,000 (let alone more than \$1,000,000) at *any* time as of the date of his 2022 FD filing.²⁰⁴ At the start of the date of his filing, the balance in his primary savings account was \$6,692.23; by the end of that day, it was down to \$3,068.63 (after a rent check he had written a few days before was processed).²⁰⁵ His primary checking account had a beginning balance of \$1,579.18; by the end of the day it was down to \$35.15 (after several personal credit card accounts were paid).²⁰⁶ Likewise, Devolder Organization’s bank accounts never amassed a value of over \$1,000,001, let alone net income, remotely close to this amount.

In May 2021, Representative Santos also opened an account for Devolder Organization at a major bank with ATM locations in Long Island, New York. On the Business Deposit Account Application, he described Devolder Organization as a “Political Consulting Firm,” with an annual gross revenue of \$1,500,000, and an annual net profit of \$800,000.²⁰⁷ He listed his email as “george.devolder@redstratgeries.com [sic].”²⁰⁸ He listed the source of funds used to start the business as \$10,000 of lifetime savings, and indicated the business would receive income primarily in the form of consulting fees.²⁰⁹ Representative Santos’ use of both his business and personal accounts with this bank seemed to primarily be to deposit and then withdraw funds, often at ATMs and/or in all-cash transactions. The source for the significant cash deposits, which were often made just before a withdrawal for a similar amount, remains unclear.

Devolder Organization only came into existence in mid-2021 and had no substantial financial activity at the time of Representative Santos’ 2022 filing. The company’s 2021 Profit and Loss Statements indicate an income of \$614, with more than \$14,000 in expenses, for a total loss of more than \$13,000, and it was not until after the FD Statement was filed that Devolder Organization made any substantial income.²¹⁰ On the date of the filing, September 6, 2022, Devolder Organization had \$4.08 in its bank account.²¹¹

²⁰³ Representative Santos did not identify on the statement the name of the financial institution(s) in which these reported assets were held, even though the Committee instructs filers to do so. *Committee Financial Disclosure Instruction Guide* at 21; *see also* 5 U.S.C. app § 102(a)(3). In addition, filers must disclose interest earned from bank accounts that exceeds \$200; however, Representative Santos did not report receiving any such income.

²⁰⁴ Representative Santos owned or controlled at least 8 bank accounts at 4 different institutions in 2021 and 2022 that the ISC was able to identify.

²⁰⁵ Personal Savings Account #1 September 6, 2022 Account Activity.

²⁰⁶ Personal Checking Account #1 September 6, 2022 Account Activity.

²⁰⁷ Devolder Organization Checking Account #1.

²⁰⁸ *Id.*

²⁰⁹ A significant portion of the funds that were deposited into both the Devolder Organization account and the personal account at that bank were from Individual 4, a major donor to Representative Santos’ campaign. Representative Santos did not identify that Individual 4 as a client of his on his FD Statement. Individual 4 provided information to the Committee indicating that she believed her funds were political donations to his campaign and other political committees.

²¹⁰ At its highest, Devolder Organization’s 2022 consulting income was \$667,960. EXHIBIT 53. Also of note is that the Devolder Organization balance sheet shows Representative Santos “Members Draw” was \$326,052.30 as of December 31, 2022. EXHIBIT 54. This is unlikely, given that prior to October 2022, the Devolder Organization bank account never held more than \$16,000 at most; and the majority funds received after October 2022 were used either to make campaign loans or to pay a third party, Company 3, for services pursuant to a contract. *See also* Section III.B.1.i.a.2., *supra*.

²¹¹ Devolder Organization Checking Account #2 September 15, 2022 Bank Statement.

As previously noted, Representative Santos recently filed a late tax return with the IRS for 2021. In the return, Representative Santos reported a negative \$70,481 in total income, comprised of a \$90,785 business loss from Devolder Organization,²¹² and \$20,304 in unemployment compensation.²¹³ The Devolder Organization income reported on his tax return for 2021 bears no relationship to the company's actual finances for 2021. The "loss" was reported as being primarily due to "contract labor" costs, which Representative Santos reported as consisting of a \$17,000 payment to a company owned by one of his campaign consultants, and two payments totaling \$138,000 to individuals involved in an insurance deal;²¹⁴ however, all of those payments occurred in 2022, not 2021.²¹⁵

Representative Santos failed to disclose his unemployment income as well as his income from Harbor City Capital. On multiple credit card applications filed throughout 2021, Representative Santos stated his income was \$9,000 per month or \$108,000 annually.²¹⁶ Furthermore, Representative Santos failed to report unearned income on his FD Statement from other assets, including over \$20,000 in stock transactions from 2021.²¹⁷ Additionally, although Representative Santos did disclose his position as Managing Principal of Devolder Organization, he failed to disclose his position as Regional Director of Harbor City Capital, as well as his partnerships, through Devolder Organization, with Red Strategies or Redstone and unearned income from these companies.

Representative Santos disclosed only one liability: a car loan, valued between \$15,001-\$50,000 with Westlake Financial, incurred in 2021; he indicated on the disclosure that the car loan was a joint liability. Representative Santos did not produce the loan documentation but did provide a screenshot from the lender's website indicating that payments were made on a 2015 Mercedes-Benz vehicle from May 12, 2021 to March 12, 2023.²¹⁸ Bank records reviewed by the Committee confirm that Representative Santos made those payments through a personal bank account. At no point does Representative Santos appear to have owned a Maserati, despite telling campaign staff otherwise.²¹⁹

²¹² Representative Santos' 2021 Tax Return (Mar. 23, 2023); *see also* EXHIBIT 55 (showing Devolder Organization's 2021 Profit and Loss sheet, which reflects -\$13,795.54 net income); EXHIBIT 56 (showing Red Strategies paid Devolder Organization \$11,104.83 in business income in 2021); EXHIBIT 57 (showing Devolder Organization's 2021 consulting income, totaling \$68,703.19, including nearly \$15,000 from Red Strategies).

²¹³ Representative Santos blamed the IRS for his improper receipt of unemployment benefits. *See, e.g.*, ISC Interview of Witness 5 ("He explained that [] it was 2 weeks after I guess he was supposed to come off of unemployment [], that he had not come off [] . . . he said it's the fault of the IRS or something along those lines."); ("Q: And he said it was the IRS's fault? Is that correct? A: Yes. He implied it was the IRS's fault.")

²¹⁴ The ISC confirmed that Representative Santos did provide referral services in connection with the insurance deal. ISC Interview of Witness 9.

²¹⁵ One of the "contract labor" payments was reported as for \$100,000, but Representative Santos actually paid that entity \$200,000, all in 2022.

²¹⁶ On one application, he stated his monthly income was \$9,500.

²¹⁷ EXHIBIT 58.

²¹⁸ A year earlier, Representative Santos obtained a car loan for a used a Kia Sportage, and in early 2023, Representative Santos took out a new car loan for a 2019 Jaguar; he appears to have made the monthly payments for those loans from a personal bank account. Representative Santos provided the loan documentation for those loans, which were solely in his name.

²¹⁹ ISC Interview of Witness 4.

d. Failure to File 2023 FD Statement

Representative Santos was granted an extension to file his 2023 FD Statement through August 13, 2023, but did not meet the extended filing deadline. On September 13, 2023, the Committee’s Financial Disclosure office sent Representative Santos a letter informing him that he had not timely filed his FD Statement and owed a \$200 late filing fee.²²⁰ The same day, Representative Santos’ counsel informed the ISC that “[Representative Santos] and his accountant have not yet completed his 2022 tax returns and therefore Representative Santos will be unable to make the filing deadline for his House disclosures. I will keep the Committee updated as to the status of these filings.”²²¹ The Committee sent two additional letters on September 27 and October 20, 2023, informing Representative Santos that “continued failure to file your [FD] Statement could be deemed willful non-compliance” and encouraging him to file his 2023 FD Statement immediately. The October 20 letter was deemed a “final notice” that if his 2023 FD Statement was not filed by October 27, 2023, the Committee would “take action, not inconsistent with section 104 of the [Ethics in Government Act], as it deems appropriate.” On October 24, 2023, counsel informed the ISC that Representative Santos paid the \$200 late-filing fee, and would be filing his 2023 FD Statement²²²—which Representative Santos has still failed to do.

Additionally, Representative Santos and his current and prior counsel were repeatedly reminded by the ISC that, to the extent the Congressman was or became aware of any errors or omissions on prior FD Statements, he should file amendments to those statements, including: in its March 10, 2023, RFI; in correspondence with the Member on May 31, 2023; in correspondence with counsel on April 19, 2023, May 17, 2023; June 22, 2023, and September 11, 2023; and in calls with counsel on July 6, 2023, and September 6, 2023. Representative Santos has not amended his prior statements, despite the significant errors and omissions discussed above.

ii. Relevant Laws, Rules, and Other Applicable Standards of Conduct

Title I of the Ethics in Government Act (EIGA) requires annual financial disclosures by Members of the House, candidates for the House, and senior House employees. Members and qualifying candidates must annually disclose personal financial interests, including investments, income, and liabilities.

EIGA requires financial disclosure reports to include “[t]he source, type, and amount or value of income”; “[t]he source and type of income which consists of dividends, rents, interest, and capital gains” over \$200; “a brief description, the date, and category of value of any purchase, sale or exchange during the preceding calendar year which exceeds \$1,000- (A) in real property, other than property used solely as a personal residence of the reporting; (B) in stocks, bonds, commodities futures, and other forms of securities”; “[t]he identity of all positions held on or before the date of filing during the current calendar year”; and “the identify of each source of” and

²²⁰ Members of Representative Santos’ congressional staff also advised him of the FD filing deadlines. *See e.g.*, ISC Interview of Witness 8.

²²¹ Appendix C. Representative Santos was required to file his 2022 tax return by October 16, 2023. Representative Santos did not produce his completed 2022 tax return.

²²² Email from Joseph W. Murray, Counsel to Representative Santos, to Committee staff, Committee on Ethics (Oct. 24, 2023).

“a brief description of the nature of the duties performed or services rendered” for “individual compensation in excess of \$5,000.” House Rule XXVI adopts Title I of EIGA as a rule of the House. EIGA also identifies the Committee as the supervising ethics office for House Members and candidates with respect to the implementation of the financial disclosure requirements.

As the Commission on Administrative Review of the 95th Congress stated in recommending broader financial disclosure requirements, “[t]he objectives of financial disclosure are to inform the public about the financial interests of government officials in order to increase public confidence in the integrity of government and to deter potential conflicts of interest.”²²³

Violations of the laws governing House FD Statements may implicate House Rule XXIII, clauses 1 and 2, which state, “[a] Member . . . of the House shall behave at all times in a manner that shall reflect creditably on the House,” and “shall adhere to the spirit and the letter of the Rules of the House.” The Committee has previously noted that inadvertent errors in FD Statements are common and, absent evidence that errors or omissions are knowing and willful, the Committee’s general practice is to notify the filer of the error and require an amendment.²²⁴ However, if a filer knowingly and willfully falsifies or fails to file or to report any required information, the Committee may take appropriate action, including referring the filer to the Attorney General, pursuant to Section 13106 of the EIGA. This Section further states that “[t]he Attorney General may bring a civil action . . . against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to file or report any information that such information is required to report” and can impose a civil penalty of up to \$71,316.

In addition to enforcing the financial disclosure requirements of EIGA and related House rules, the Committee has also investigated and disciplined Members in connection with their failure to properly report and pay taxes.²²⁵ The Committee has noted that failure to comply with tax laws and regulations is inconsistent with clause 2 of the Code of Ethics for Government Service, which provides that any person in government service should “[u]phold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion.”

iii. Findings

Based on the record discussed above, there is substantial reason to believe Representative Santos knowingly and willfully failed to properly disclose required information on FD Statements filed with the House, in violation of the EIGA, House Rule XXVI, and House Rule XXIII, clauses 1 and 2.²²⁶

²²³ House Comm. on Admin. Review, Financial Ethics, H. Doc. 95-73, 96th Cong., 1st Sess. 6 (1977).

²²⁴ See Comm. on Ethics, *In the Matter of Allegations Relating to Representative Lori Trahan*, H. Rept. 116-451, 116th Cong., 2d Sess. 16 (2020).

²²⁵ See Comm. on Ethics, *In the Matter of Allegations Relating to Representative John Tierney*, H. Rept. 113-208, 113th Cong., 1st Sess. (2013); House Comm. on Standards of Official Conduct, *In the Matter of Representative Charles B. Rangel*, H. Rept. 111-661, 111th Cong., 2d Sess. (2010); Comm. on Ethics, *In the Matter of Allegations Relating to Michael Collins*, H. Rept. 112-193, 112th Cong., 1st Sess. (2011) (hereinafter *Michael Collins*).

²²⁶ The ISC also notes that Representative Santos likely violated applicable tax laws and regulations.

In his first campaign for Congress, Representative Santos filed an FD Statement that was rife with missing and inaccurate information. Representative Santos then failed to file his 2021 FD Statement in its entirety, despite being aware of the requirement that candidates must file FD Statements—a requirement with which he had previously at least attempted to comply. Even after his campaign consultants flagged the issue for him later in 2021, he still failed to make the required filing. In 2022, his FD Statement was even more egregiously riddled with errors, omissions, and misleading information intended to make him appear more successful and wealthier than he was in reality. Most disturbingly, as a sitting Member of Congress he has continued to flout his statutory obligation to file an FD Statement for the current year, despite the Committee and his personal staff having advised him of the statutory requirements, and widespread attention to his lack of transparency regarding his financial situation.

These were not inadvertent lapses, but major errors and omissions, and the evidence compiled by the ISC demonstrates that they were knowing and willful actions as part of an ongoing ruse by Representative Santos to fabricate a wealthy persona, even after he was repeatedly put on notice of the failures and falsehoods relating to his required FD Statements. Representative Santos has shown no effort to amend the errors and omissions in his prior disclosures, despite receiving multiple instructions from the Committee and the ISC to do so. Indeed, despite the myriad excuses communicated through counsel, neither Representative Santos nor any individual authorized to assist him with his FD Statements has logged into the House Financial Disclosure system since his extension request was filed in May 2023.

The ISC further notes that, pursuant to Section 13106 of EIGA, the Committee is required to refer Representative Santos to the Attorney General if it has reason to believe he has willfully failed to file a report or has willfully falsified or failed to file required information. As discussed above, Representative Santos has been duly warned of the Committee’s obligation to make such a referral, and by this Report, the ISC now recommends that the Committee refer this matter to the Attorney General.

3. Lack of Diligence and Candor During the ISC Investigation

i. Background

Shortly after the Committee announced that it had impaneled an ISC to review allegations relating to Representative Santos, he told news outlets: “I’m going to comply 100% with” the Committee’s investigation.²²⁷ His cooperation fell well short of his stated intention.

On March 10, 2023, the ISC sent an RFI to Representative Santos seeking information related to the allegations under review. Despite his public assurances, Representative Santos provided limited documents to the ISC, often following lengthy delays. Representative Santos’ counsel offered various reasons for the delays: withdrawal of prior counsel in May 2023; the need

²²⁷ Will Steakin, Lauren Peller, and Gabe Ferris, *George Santos Says He Will Comply ‘100%’ with House Ethics Investigation*, ABC NEWS (Mar. 3, 2023), <https://abcnews.go.com/Politics/house-subcommittee-investigate-claims-george-santos-fully-cooperating/story?id=97590411#:~:text=George%20Santos%20said%20Friday%20that,allegations%20against%20t he%20freshman%20Republican.>

to work with a third-party vendor to analyze and organize the materials; multiple personal and other client matters that arose; the ongoing criminal investigation; and that certain documents, such as tax returns, were purportedly outside of Representative Santos' custody and control.

While it is not uncommon for respondents to require additional time to gather information to respond to requests from the Committee, it is clear to the ISC that Representative Santos' claim that he would cooperate with the investigation was just another falsehood. The number and nature of the excuses provided by Representative Santos' counsel, coupled with the absence of a meaningful response from Representative Santos to the ISC's RFI that was issued over eight months ago, evidenced a lack of diligence and sufficient respect for the Committee's investigative process. In July, after months had passed without any new documents being produced, the ISC pressed Representative Santos' counsel to respond to its document requests. At the time, counsel assured that documents would be provided on a rolling basis and that documents were in the process of being reviewed and collected; however, no documents were provided to the ISC until September. That production, which was not complete, consisted of documents that had been previously produced to the federal grand jury but were inexplicably withheld from the ISC for over five months. Shortly after this production, and after having produced no documents specifically responding to the ISC's RFI since April, counsel informed the ISC that "[w]e are not obstructing the work of the Committee" and that the ISC could expect "a substantial amount of new responsive documents" within three days of that correspondence. No such documents were produced. The next production the ISC received occurred on November 2, 2023, consisting of five pages of select email communications Representative Santos' counsel had provided to DOJ weeks prior.

To date, Representative Santos has not provided a substantive production in response to the ISC's request for his communications with Ms. Marks or other members of his campaign staff during his 2020 and 2022 campaigns. While he has delayed providing the ISC with all of his communications during the campaign, he has simultaneously blamed Ms. Marks for some of the most serious campaign finance allegations. As noted previously, however, the ISC's record showed that: concerns about Ms. Marks were brought to Representative Santos during both his 2020 and 2022 campaigns; he was aware of how she was reporting personal loans; he was actively involved in the campaign's day-to-day finances; and Ms. Marks has testified that Representative Santos was an active participant in devising a fraudulent scheme to falsify reports to the FEC.

As with all respondents to a Committee investigation, the ISC requested that Representative Santos submit a declaration attesting under penalty of perjury to the accuracy of any information submitted in writing signed by someone other than himself, such as letters from his counsel. Representative Santos did not do so. He has also declined to voluntarily testify before the ISC. The limited substantive information that has been provided to the ISC has come through Representative Santos' attorneys. Even absent a signed declaration, Representative Santos is responsible for ensuring that his representatives make truthful and accurate statements on his behalf, and efforts to mislead the ISC by supplying his attorneys with false information or half-truths may be considered obstructive conduct.

In addition to his claims about Ms. Marks, several responses that Representative Santos provided the ISC through his counsel were not supported by the evidence the ISC collected from other sources. For example, in response to the ISC's request that Representative Santos inform it

of the names of any individuals who assisted him in the preparation of his FD Statements, Representative Santos' counsel advised that his tax preparer assisted him, but provided no documents to support that contention. The tax preparer advised the ISC that she did not provide those services; and in fact Representative Santos appears to have submitted the FD Statements on his own. Representative Santos was also advised on multiple occasions to correct errors and omissions in his FD Statements and to file his FD Statement for the current year, and failed to do either. On October 24, 2023, his counsel assured the ISC that Representative Santos "should have his [2023 FD] filing [submitted] shortly"; he is currently the only Member of Congress who has failed to do so.²²⁸

Representative Santos has not only refused to provide requested documents and sit for a voluntary interview, he has failed to address most of the allegations under review by the ISC in any way beyond pointing a finger at his treasurer and denying any wrongdoing. Despite rebuffing the ISC, he has done multiple press interviews regarding the allegations, each rife with statements that the ISC's record reveals to be untrue.

Representative Santos did provide a substantive and relatively prompt document production in response to allegations of sexual misconduct raised by a prospective staffer. In addition, current members of his congressional staff participated in voluntary interviews and denied that Representative Santos tried to dissuade them from cooperating. The ISC appreciates Representative Santos' diligence in responding to the sexual misconduct allegation and his congressional staff's cooperation. But his ability to provide a robust response to the sexual misconduct allegations, while failing to provide similar responses to the ISC's campaign and financial disclosure related inquiries, suggests that his willingness to comply with the ISC's processes turned on whether he believed doing so was in his personal interest, rather than fulfilling his duty to cooperate with the ISC's investigation and facing accountability through the House's disciplinary process.

ii. Relevant Laws, Rules, and Other Standards of Conduct.

The Committee has explained that it expects Members, Delegates, and staff to honor their duty of candor and diligence in participating in the Committee's investigative process. The Committee has previously stated:

Public office is a public trust, and as part of that public trust, public officials should take seriously allegations that threaten the integrity of the institution and seek to be forthright and cooperative with the body designed to review such allegations. . . . It is the nature of a self-regulatory body to strive to collegially review allegations of misconduct and, accordingly, the Committee's longstanding practice is to seek voluntary cooperation from respondents. When that cooperation is less than fulsome, that threatens to undermine the foundations of that self-regulation.²²⁹

²²⁸ See Section III.B.2.i.d., *supra*.

²²⁹ Schweikert at 108. See also Comm. on Ethics, *In the Matter of Allegations Relating to Representative Laura Richardson*, H. Rept. 112-642, 112th Cong., 2d Sess. (2012) (hereinafter *Richardson*).

In past matters where Members have refused to diligently respond to Committee requests and/or have engaged in conduct that interfered with or obstructed the Committee’s investigation, the Committee has found such conduct to be the basis for a violation of the Code of Official Conduct.²³⁰ Additionally, federal law makes it a crime to falsify, conceal, or cover up a material fact in a Committee investigation, or to corruptly influence, obstruct or impede a congressional proceeding.²³¹

iii. Findings

The ISC found that Representative Santos’ conduct in connection with its investigation violated House Rule XXIII, clauses 1 and 2. All respondents are entitled to invoke their constitutional rights,²³² but they are not entitled to provide misleading responses and engage in delay tactics. The ISC recognizes that the responses it received from Representative Santos came from his counsel and he never signed a declaration as requested. Even if that means his statements cannot be considered under 18 U.S.C. Sections 1001 and 1505, he is responsible for providing truthful information to the Committee. Representative Santos has also misled the public in promising to cooperate with the Committee when his own actions show his intent was just the opposite. Far from “fully cooperating,” the false or misleading submissions from his counsel, as well as the substantial delays to the ISC’s investigation, show that Representative Santos has not been acting in accordance with his duty of diligence and candor. His conduct in this investigation is therefore not consistent with the requirement that Members act in a manner that reflects creditably upon the House and adhere to both the spirit and the letter of the Rules.

C. OTHER ALLEGATIONS REVIEWED BY THE SUBCOMMITTEE

1. Sexual Misconduct Allegation

The ISC reviewed an allegation that Representative Santos may have engaged in sexual misconduct towards an individual seeking employment in his congressional office. OCE also referred this allegation to the Committee with a recommendation that the Committee dismiss the

²³⁰ *Richardson* at 95 (finding the Member “violated clauses 1 and 2 of House Rule XXIII by engaging in a pattern of behavior intended to obstruct this investigation.”); Comm. on Ethics, *In the Matter of Allegations Relating to Representative Judy Chu*, H. Rpt. 113–665, 113th Cong., 2d Sess. 11 (2014) (hereinafter *Chu*) (“Regardless of Representative Chu’s intentions, interference with a Committee investigation is a very serious matter, and Representative Chu’s actions here were clearly improper and reflected very poor judgment on her part. Thus, the Committee found that Representative Chu violated clause 1 of House rule XXIII, by not acting in a manner that ‘reflect[ed] creditably on the House.’”); *Schweikert* at 5 (“Representative Schweikert violated House Rule XXIII, clause 1 by failing to exercise the proper diligence necessary in responding to the allegations and the ISC determined that his testimony lacked credibility.”); *San Nicolas* at 2 (“Delegate San Nicolas did not meaningfully address the allegations against him, and chose to ignore a duly authorized subpoena rather than account for his conduct. The ISC referred Delegate San Nicolas to the full Committee for consideration of contempt due to his failure to appear for his subpoenaed deposition. . . . the Delegate has treated the ethics process with disdain . . . [and] the ISC unanimously voted to recommend that this matter be referred to the Department of Justice.”).

²³¹ 18 U.S.C. § 1001; 18 U.S.C. § 1505.

²³² Representative Santos did not explicitly invoke his Fifth Amendment right against self-incrimination but would be free to do so. As a Member of the House, however, he may still be held accountable by his colleagues for the conduct he declines to address.

allegation, finding that there was not substantial reason to believe that Representative Santos sexually harassed or discriminated against Witness 10, a prospective employee. Witness 10 was brought to the attention of Representative Santos' office in mid-January 2023 by Witness 8, as the office was looking for a staff assistant. Witness 10 made seven payments totaling \$1,050 to Witness 8 that month—two of which were made the day he received an offer of employment from the congressman's office.²³³ On January 25, 2023, Witness 10 was asked to come to the office to meet other members of staff.²³⁴ He returned to the office on several other occasions for varying amounts of time,²³⁵ but was later instructed not to return until he was cleared by Human Resources and could be onboarded.²³⁶ However, on February 1, 2023, his offer of employment was rescinded due to the office's concerns about then-pending felony wiretapping charges against him.²³⁷ Two days later, Witness 10 filed a complaint with the Committee alleging that Representative Santos engaged in sexual misconduct towards him while they were alone in the Congressman's office on January 25, 2023, "going over mail correspondence from constituents."²³⁸

The ISC was unable to substantiate this allegation. Testimony from witnesses contradicted Witness 10's testimony about reviewing mail with the Congressman²³⁹ and being alone with him in his office.²⁴⁰ The ISC also had concerns about Witness 10's credibility and motivation in making the allegation based on other evidence reviewed during the investigation. For example, the ISC noted inconsistencies in Witness 10's testimony, and he stated that he contacted the Federal Bureau of Investigation with his allegation in order to be paid by them for information regarding Representative Santos.²⁴¹

2. *Conflicts of Interest*

i. *Devolder Organization*

As discussed previously, Representative Santos is the sole owner of the company Devolder Organization. According to the Florida Department of State, the Devolder Organization filed an annual report on January 11, 2023, (over a week after Representative Santos took office) and its

²³³ EXHIBIT 59.

²³⁴ EXHIBIT 60.

²³⁵ ISC Interview of Witness 8.

²³⁶ See e.g., EXHIBIT 61.

²³⁷ See e.g., EXHIBIT 62; ISC Interview of Witness 10; *Leaked Audio and Staff Dispute Show Chaos Inside George Santos' Office*, TPM TV (Feb. 2, 2023), <https://www.youtube.com/watch?v=B9s5vJEWBRE>.

²³⁸ Letter from Witness 10 to Chairman Michael Guest and Ranking Member Suan Wild, Committee on Ethics (Feb. 3, 2023).

²³⁹ ISC Interview of Witness 5 (noting that Witness 10 "never went through the mail. I actually took the mail -- when he was present in the office, we had mail that came in. I took that mail. And I even took that mail home with me, because I didn't feel comfortable at the time -- I think I had left the office early, and I just didn't feel comfortable with someone that wasn't officially hired on the staff to be given mail to go through."). Witness 10 also corroborated Witness 5's testimony that she took the mail home with her. See OCE Interview of Witness 10 (Appendix B at 329-330).

²⁴⁰ See e.g., ISC Interview of Witness 11 (testifying that Witness 10 was "always in the middle of the room around people, always supervised."); OCE Interview of Witness 8 (Appendix B at 283) (testifying that "if it's not me that's with the congressman at all times, it's either the [legislative] director or the chief or the [communications] director[...]. So there's no opportunity for [him] to be alone with the congressman.").

²⁴¹ ISC Interview of Witness 10 ("I was aware that they paid confidential informants, and I was seeking compensation.").

status is still listed as “active.”²⁴² Committee staff advised Representative Santos’ counsel that, to the extent Representative Santos has taken steps to wind down his business, he should provide that information and any supporting documentation to the ISC. Other than bank statements showing that Representative Santos closed the Devolder Organization account on January 26, 2023, the ISC received no further information related to winding down of Devolder Organization and it retains an active registration.

Section 13144 of the EIGA prohibits a Member from “receiv[ing] compensation for affiliating with or being employed by a firm, partnership, association, corporation, or other entity which provides professional services involving a fiduciary relationship,” and from “permit[ting] [the Member’s] name to be used by . . . a firm, partnership, association, corporation, or other entity [that provides professional services involving a fiduciary relationship].” House Rule XXV, clause 2(a) mirrors this language. Because Representative Santos has not meaningfully cooperated with the ISC’s review, the ISC was unable to determine whether Devolder Organization has provided fiduciary services since Representative Santos began serving in Congress.

ii. Criminal Attorney

Representative Santos’ current counsel before the ISC, Joseph W. Murray, also represents him in the federal prosecution. DOJ filed a motion seeking a hearing to determine whether there was a conflict of interest involving Mr. Murray, “aris[ing] from relationships that [counsel] has with two individuals who are referenced in the superseding indictment, namely Person #1 and Nancy Marks.”²⁴³ Specifically, these conflicts relate to: Mr. Murray’s personal relationship with Person #1 arising from their mutual involvement in local politics; Person #1’s having sought Mr. Murray as counsel to represent him during DOJ’s investigation that included an initial consultation, including discussion of the investigation; and Mr. Murray’s professional relationship with Ms. Marks, who served as his campaign treasurer during his campaign to become the Queens County District Attorney in 2019.

Through the course of its investigation, the ISC learned that Mr. Murray also has a personal and professional relationship with an individual working in Representative Santos’ congressional office. This individual was the office manager of Mr. Murray’s law firm, while also serving as a constituent services representative in the district office. One staffer indicated that Representative Santos said he “knew” this individual and was “very insistent on bringing her on board.”²⁴⁴ She received a congressional salary of \$10,999.99 from January 19, 2023 through March 31, 2023, and \$16,250.01 from April 1, 2023 through June 30, 2023.²⁴⁵ The ISC received testimony that she “seemed to do a good job at her job” and that her supervisor never raised any complaints about her job performance.²⁴⁶ The ISC did not receive any information about whether the individual’s employment was intended as some form of compensation for Representative Santos’ counsel’s

²⁴² Devolder Organization LLC, *2023 Florida Limited Liability Company Annual Report Filed with the Secretary of State of Florida* (filed Jan. 11, 2023).

²⁴³ Motion for Hearing at 1, *United States v. Santos*, No. 23-CR-197 (JS) (AYS) (E.D.N.Y filed Oct. 20, 2023).

²⁴⁴ ISC Interview of Witness 6.

²⁴⁵ See Statement of Disbursements of the House, January 1, 2023 to March 31, 2023 at 2575; Statement of Disbursements of the House, April 1, 2023 to June 30, 2023 at 2448. As of the date of this Report, the Statement of Disbursements of the House, July 1, 2023 to September 30, 2023 has not been released.

²⁴⁶ ISC Interview of Witness 6.

criminal defense services, or whether the individual has used any official resources in connection with Representative Santos' personal legal defense.

3. *Additional Allegations Charged by the Department of Justice*

The ISC also considered the additional charges raised in the federal indictment of Representative Santos, such as whether Representative Santos misused credit card information, but was limited in the extent to which it was able to review certain charges due to DOJ's request that the ISC defer taking certain investigative actions.²⁴⁷

The ISC similarly considered whether Representative Santos was aware of, or otherwise involved in, efforts by a member of his campaign team, Individual 5, to solicit contributions on behalf of his campaign by impersonating a staffer in then-Leader McCarthy's office, conduct which was the subject of charges filed against Individual 5 but not Representative Santos himself. Due to DOJ's specific deferral requests, and a witness's invocation of the Fifth Amendment, the ISC was unable to fully investigate this allegation; however, other campaign staff testified that Representative Santos was reluctant to terminate Individual 5 after learning of the allegations. Although Individual 5 was eventually fired from Representative Santos' campaign in late 2021, the staffer appeared to remain in Representative Santos' political orbit, as the state political committee Representative Santos helped run reported paying Individual 5's firm as late as June 2022.²⁴⁸

IV. **ISC RECOMMENDATIONS TO COMMITTEE**

Under Committee rules, an ISC has two options at the conclusion of its review. It may adopt a Statement of Alleged Violation (SAV), which is a prerequisite for an adjudicatory subcommittee and recommendation by the Committee for a sanction by the House. An ISC may also choose not to adopt an SAV. If the ISC does not adopt an SAV, it must transmit a report to the Committee summarizing the evidence received, the ISC's findings, and any recommendations. The ISC's recommendations may include a letter of reproof and/or that substantial evidence of a violation of law be referred to appropriate Federal or State authorities.

The Committee has a long history of disciplining Members for the types of misconduct at issue here. A Member who, among other allegations, reported a fictitious campaign loan to inflate his cash on hand, was reprimanded and fined by the House.²⁴⁹ Other Members who were found to have engaged in intentional circumvention of campaign finance laws were the subject of

²⁴⁷ The ISC did, however, receive evidence of an authorized credit card charge for \$10,000 that was made to benefit Representative Santos' campaign in December 2022. The individual whose credit card was misused told the ISC that the charge was not authorized and that he never intended to make any contributions to Representative Santos' campaign. EXHIBIT 32.

²⁴⁸ RISE reported paying Individual 5's firm \$6,560 on June 22, 2022; however, this payment was not reflected in RISE's bank statements. In addition, Representative Santos' campaign paid Individual 5's firm \$5,995 on January 4, 2022.

²⁴⁹ *Schweikert*.

significant charges of violations by the Committee, as well as various sanctions.²⁵⁰ The House has previously reprimanded a Member for making false statements on FD forms²⁵¹; in another matter, the Committee sanctioned a senior House staffer who was found to have failed to report income on FD forms and federal tax returns.²⁵² Members who have been found to engage in obstructive or bad faith conduct in connection with Committee investigations have been reprimanded by the House,²⁵³ reprimanded,²⁵⁴ and referred to DOJ.²⁵⁵ In many instances where Members have engaged in significant criminal activity, they have resigned from the House.²⁵⁶

This matter, however, is unprecedented in many respects. First, it has been the subject of Member complaints, House resolutions, an OCE referral, an FEC matter, and federal criminal prosecution; as such, the integrity of the House has been called into question in a significant and overt manner that the Committee cannot ignore. Second, while it is not uncommon for Committee investigations to involve multiple allegations and a pattern of misconduct, the sheer scope of the violations at issue here is highly unusual and damning. Third, the nature of the violations are fundamental ethical failings that go to the core of the legitimacy of the electoral process. And most significantly, Representative Santos' fraud on the electorate is ongoing – he continues to propound falsehoods and misrepresentations rather than take responsibility for his actions.

The ISC unanimously determined that the Committee's duty to safeguard the integrity of the House and the interests of justice warranted the immediate disclosure of its findings.²⁵⁷ Although the ISC's findings of serious and pervasive campaign finance violations and fraudulent activity would merit the adoption of an SAV, proceeding down that path would risk substantially interfering with DOJ's ongoing and active investigation of Representative Santos for similar allegations and would not be an efficient use of the Committee's resources, particularly in light of the Congressman's penchant for obfuscation and delay. Representative Santos declined nearly every opportunity he was afforded under the Committee's processes to provide a rebuttal to the allegations,²⁵⁸ and his general attempts to blame his former campaign treasurer or feign ignorance

²⁵⁰ *Kim* (reproval, no further action recommended due to impending loss of jurisdiction); House Comm. on Standards of Official Conduct, *In the Matter of Representative Earl F. Hilliard*, H. Rept. 107-130, 107th Cong., 1st Sess. (2001) (reproval, reflecting settlement and willingness to admit to misconduct).

²⁵¹ House Comm. on Standards of Official Conduct, *In the Matter of Representative George V. Hansen*, H. Rept. 98-891, 98th Cong., 2d Sess. (1984).

²⁵² *Michael Collins*.

²⁵³ *Richardson*.

²⁵⁴ *Chu*.

²⁵⁵ *San Nicolas*.

²⁵⁶ Comm. on Ethics, *Statement Regarding the Investigative Subcommittee in the Matter of Representative Jeff Fortenberry* (Apr. 1, 2022); Comm. on Ethics, *Statement Regarding the Investigative Subcommittee in the Matter of Representative Chris Collins* (Oct. 1, 2019); Comm. on Ethics, *Statement of the Chairman and Ranking Member of the Committee on Ethics Regarding Representative Duncan Hunter* (Jan. 14, 2020); Comm. on Ethics, *Statement of the Chairman and Ranking Member of the Committee on Ethics Regarding Representative Chaka Fattah* (June 24, 2016); House Comm. on Standards of Official Conduct, *Summary of Activities One Hundred Fourth Congress*, H. Rept. 104-886, 104th Cong., 2d Sess. at 24 (1997) (Representative Mel Reynolds); House Comm. on Standards of Official Conduct, *Historical Summary of Conduct Cases in the House of Representatives*, at 22, 31 (Representative Walter Tucker and Delegate Fofu I.F. Sunia).

²⁵⁷ The ISC's findings include Rule 25 evidence of information that is substantially favorable to Representative Santos with respect to the allegations under review.

²⁵⁸ Representative Santos was provided a copy of the certified complaint and invited to provide a written response, as all respondents are entitled to give pursuant to Committee Rule 17(b), but he did not provide a substantive

or misreporting were not supported by the evidence. Representative Santos is entitled to due process in his criminal prosecution and will have his day in court. As a Member of the House, however, he must be held accountable to the highest standards of conduct in order to safeguard the public's faith in this institution. The Constitution charges the House with policing the behavior of its own Members, and the House should take whatever action it deems appropriate in light of the ISC's findings.

Accordingly, pursuant to Committee Rule 19(g), the Investigative Subcommittee makes the following recommendations:

1. The ISC recommends that the Committee immediately refer to the U.S. Department of Justice for such action as DOJ deems necessary the matter involving Representative Santos regarding his: knowingly causing his campaign committee to file false or incomplete reports with the Federal Election Commission; use of campaign funds for personal purposes; fraudulent conduct in connection with RedStone Strategies LLC; and knowing and willful violations of the Ethics in Government Act as it relates to his Financial Disclosure Statements filed with the House.
2. The ISC recommends that the Committee authorize the release of materials in possession of the Committee and not available through any other source, to the U.S. Department of Justice, as necessary for any further action DOJ pursues as a result of the referral of this matter.
3. The ISC recommends that the Committee adopt this report, and publicly condemn Representative Santos, whose conduct the ISC found to be beneath the dignity of the office and to have brought severe discredit upon the House.

response. He was given the opportunity, pursuant to Committee Rule 19(b)(3), to present a statement, orally or in writing, regarding the allegations, but he declined to do so. He also declined to be interviewed by the ISC.