



AGENDA DOCUMENT NO. 14-33

APPROVED JULY 23, 2014

MINUTES OF AN OPEN MEETING

OF THE

FEDERAL ELECTION COMMISSION

THURSDAY, JUNE 26, 2014

PRESENT:

Lee E. Goodman, Chairman, presiding

Ann M. Ravel, Vice Chair

Caroline C. Hunter, Commissioner

Matthew S. Petersen, Commissioner

Steven T. Walther, Commissioner

Ellen L. Weintraub, Commissioner

Alec Palmer, Staff Director

Lisa J. Stevenson, Deputy General Counsel - Law

Shelley E. Garr, Acting Secretary and Clerk

Chairman Lee E. Goodman called the Federal Election Commission to order in an open meeting at 10:22 A.M. on Thursday, June 26, 2014 with a quorum present.

Chairman Goodman recognized Commissioner Walther for a point of personal privilege. Commissioner Walther thanked Mr. Brad Deutsch, who is leaving the Commission to practice communication and election law, for his eight years of service as his Executive Assistant. In addition to providing highlights of his professional career, Commissioner Walther spoke of Brad's great character and tenaciousness in defending the mission of the agency. Most of all, he noted that Brad cares about the Commission and that Brad is always thinking of how staff may be affected by various issues that come before the agency. Commissioner Walther said that he will miss his sense of humor, loyalty, and creative thinking and wished him much success in his new career.

Chairman Goodman recognized Commissioner Petersen who said that Mr. Deutsch was a real asset, a friend to all, and wished him the best as he begins his new career. Commissioner Petersen also recognized his former Executive Assistant, Kevin Plummer, who recently left after 5 ½ years of service at the Commission, to become Senior Manager for Government Ethics and Compliance at the Chrysler Corporation. He said Mr. Plummer was a very

**intelligent individual and a great friend whose efforts on behalf of
Commissioner Petersen and the Commission will be greatly missed.**

Chairman Goodman also wished Mr. Deutsch well in his new career.

I. CORRECTION AND APPROVAL OF MINUTES

**Minutes for June 12, 2014
Agenda Document No. 14-32**

Chairman Goodman recognized Vice Chair Ravel who

**MOVED to approve Agenda Document No. 14-32,
minutes for the open session held on June 12, 2014.**

**The motion carried by a vote of 6-0 with Commissioners Goodman,
Hunter, Petersen, Ravel, Walther, and Weintraub voting affirmatively for the
decision.**

**II. AUDIT DIVISION RECOMMENDATION MEMORANDUM ON THE
DEMOCRATIC PARTY OF ILLINOIS (DPIL) (A11-15)**

**Memorandum from the Chief Compliance Officer and the
Audit Division dated May 29, 2014**

Agenda Document No. 14-31

(Executive Assistant Laura Basford is recused)

**Chairman Goodman recognized Mr. Bill Antosz of the Audit Division who
summarized the four Findings in the Memorandum: 1) misstatement of
financial activity; 2) recordkeeping for employees; 3) fundraising receipts; and
4) unreported Levin fund activity.**

Discussion followed.

Chairman Goodman recognized Vice Chair Ravel who

MOVED to approve Finding 1 (Misstatement of Financial Activity) and Finding 4 (Unreported Levin Fund Activity) as set forth in Agenda Document No. 14-31.

The motion carried by a vote of 6-0 with Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voting affirmatively for the decision.

Chairman Goodman recognized Vice Chair Ravel who

MOVED to approve Finding 2 (Recordkeeping for Employees) as set forth in Agenda Document No. 14-31, including the failure to keep monthly time-logs for the \$729,125 in payroll consisting of payments allocated between federal and non-federal funds and 100% non-federal payments.

The motion failed by a vote of 3-3 with Commissioners Ravel, Walther, and Weintraub voting affirmatively for the motion. Commissioners Goodman, Hunter, and Petersen dissented.

Chairman Goodman recognized Vice Chair Ravel who

MOVED to approve Finding 2 (Recordkeeping for Employees) as set forth in Agenda Document No. 14-31, related to the failure to keep monthly time-logs for the \$414,078 in payroll allocated between federal and non-federal funds; and direct the Audit Division to include in the Proposed Final Audit Report an Additional Issues section addressing the \$315,047 for 100% non-federal payments.

The motion carried by a vote of 6-0 with Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voting affirmatively for the decision.

Chairman Goodman recognized Vice Chair Ravel who

MOVED to find, in Finding 3 (Fundraising Receipts), that the Democratic Party of Illinois did not verify, affirm, represent or otherwise establish that the contributions totaling \$68,300 may be deposited into a federal account.

Discussion continued.

The motion failed by a vote of 3-3 with Commissioners Ravel, Walther, and Weintraub voting affirmatively for the motion. Commissioners Goodman, Hunter, and Petersen dissented.

III. DRAFT ADVISORY OPINION 2014-04

**Enterprise Holdings, Inc. by Jan Witold Baran, Esq.
and Eric Wang, Esq.**

(Held over from the June 12, 2014 meeting)

Agenda Document No. 14-30

Agenda Document No. 14-30-A (Draft B)

**Agenda Document No. 14-30-B (Draft C)
(Submitted Late)**

(Executive Assistant Andrew Woodson is recused.)

Chairman Goodman recognized Vice Chair Ravel who

MOVED to suspend the rules on the timely submission of agenda documents in order to consider the late submission of Agenda Document No. 14-30-B, Draft Advisory Opinion 2014-04, Enterprise Holdings, Inc.

The motion carried by a vote of 6-0 with Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voting affirmatively for the decision.

Chairman Goodman noted that Mr. Jan Baran, requestor's counsel, was present to answer Commissioners' questions.

Chairman Goodman recognized Ms. Esther Gyory of the General Counsel's Office who presented the draft advisory opinion concerning the application of the Federal Election Campaign Act of 1971, as amended, and Commission regulations to Enterprise Holdings, Inc.'s request. Requestor asks whether the Act and Commission regulations preempt New York State law, which purports to prohibit the use of payroll deductions for employees to make voluntary contributions to the SSF.

Ms. Gyory noted that two Drafts and the Draft Dismissal Letter were held over from the June 12, 2014 open meeting. The latest Draft, Draft C, does not reach the preemption question based on the New York State Department of Labor's representation that state law does not apply to the activity which is the subject of the request. She requested the authority to

make any technical and conforming changes to any Draft approved by the Commission.

Chairman Goodman recognized Mr. Baran who stated that his client would appreciate receiving the opinion in Draft C.

Chairman Goodman recognized Vice Chair Ravel who

MOVED to approve Draft C, Agenda Document No. 14-30-B, and authorize the Office of General Counsel to make any necessary technical and conforming edits.

The motion carried by a vote of 6-0 with Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voting affirmatively for the decision.

IV. MANAGEMENT AND ADMINISTRATIVE MATTERS

There being no further business to come before the Commission, the meeting adjourned at 10:52 A.M.

Signed:



**Lee E. Goodman
Chairman of the Commission**

Attest:



**Shelley E. Garr
Acting Secretary and Clerk of the Commission**