

April 19, 2024

## **VIA EMAIL ONLY**

Blair Schuman, Treasurer Burnett for Colorado P.O. Box 1761 Gunnison, CO 81230 info@rogerthatcompliance.com

RE: MUR 8153

Burnett for Colorado, et al.

Dear Ms. Schuman:

On August 11, 2023, the Federal Election Commission (the "Commission") notified Burnett for Colorado and you, in your official capacity as treasurer, of a Complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the Complaint was included in that notification. On September 25, 2023, we received your Response to the Complaint.

Upon review of the allegations in the Complaint and information provided by you, on March 19, 2024, the Commission voted to dismiss this matter effective April 19, 2024. The EPS Dismissal Report, which more fully explains the Commission's findings is enclosed.

Documents related to the case will be placed on the public record today. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016).

If you have any questions, please contact Jacob McCall, the attorney assigned to this matter, at (202) 694-1650 or jmccall@fec.gov.

Sincerely.

Claudio J. Pavia

Deputy Associate General Counsel

Enclosure EPS Dismissal Report

1	BEFORE THE FEDERAL ELECTION COMMISSION				
2 3	ENFORCEMENT PRIORITY SYSTEM DISMISSAL REPORT				
4 5 6 7	MUR 8153	Respondents:	Burnett for Colorado and Blair Schuman in her official capacity as treasurer Debby Burnett		
8 9	<b>Receipt Date:</b> Aug. 9, 2023 <b>Response Dates:</b> Aug. 29, 2023; Sept. 25, 2023				
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11 12 13 14 15 16	Alleged Statutory and Regulatory Violations:	52 U.S.C. § 30104(b 52 U.S.C. § 30116(a 11 C.F.R. § 104.3(b) 11 C.F.R. § 110.1(b) 11 C.F.R. § 110.9 11 C.F.R. § 116.10(a	)(1)(A), (f)		
17	These matters were generated by a Complaint and sua sponte submission alleging that				
18	Debby Burnett, a 2024 candidate in Colorado's 3rd Congressional District, and her principal				
19	campaign committee, Burnett for Colorado and Blair Schuman in her official capacity as treasurer				
20	(the "Committee"), violated the Federal Election Campaign Act of 1971, as amended (the "Act"),				
21	when Westley Crouch, a political consultant, agreed to forgive a \$20,000 debt for services rendered				
22	to the Committee. <sup>2</sup> Crouch filed the MUR 8153 Complaint alleging violations as to the Committee				
23	and Burnett, which was also treated as a sua sponte submission from Crouch, numbered PMUR				
24	674, based on self-reporting of his own potential violations of the Act.				
25	According to the Complaint, Crouch provided the Committee \$27,000 worth of services, but				
26	the Committee only paid Crouch \$	67,000 for his work. <sup>3</sup> Cr	rouch states that he forgave the Committee		

Compl. at 1 (Aug. 9, 2023). As noted below, the Complaint and  $sua\ sponte$  submission are the same document, for simplicity, that document is referred to in this Report as the Complaint.

Id.

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- the remaining \$20,000, which he described as a "gift [] settled for a smaller amount" in return for
- 2 "a promise to hire [him] back in the future." Subsequently, Crouch became concerned that
- 3 forgiving the debt resulted in Crouch making an excessive contribution to the Committee which the
- 4 Committee failed to report.<sup>5</sup>

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Burnett and the Committee filed nearly identical Responses denying the allegations and stating that there was a dispute with Crouch over the amount owed to him for his services at the time that the Committee terminated his services.<sup>6</sup> Respondents deny that there was any gift or contribution because, rather than Crouch forgiving a debt that was legitimately owed, the parties resolved a disputed debt by agreeing to an amount (\$700) acceptable to both parties.<sup>7</sup> Respondents attach copies of emails between the Committee and Crouch.<sup>8</sup> They show that Crouch accepted a settlement on May 25, 2023. In an email, Crouch states that "[the Committee and I] are square on back pay for \$700" and attaches a signed letter that "serve[d] as a settlement for all back pay owed to me for \$700.00 on 05/25/2023." Crouch goes on to say that the "letter serves as an official declaration of settlement for past funds accrued, bringing the money owed to be for past services to \$0.00." Respondents claim that, about one month later, Crouch reached out to the Committee asserting that, despite their prior agreement to settle the debt, he was still owed \$13,400 for his services.<sup>11</sup> Respondents provide emails between the Committee's attorney and Crouch, in which

<sup>&</sup>lt;sup>4</sup> *Id.* Respondents deny that there was a promise to hire Crouch again in the future. Burnett Resp. at 2 (Aug. 29, 2023).

<sup>&</sup>lt;sup>5</sup> Compl. at 1.

Burnett Resp. at 1; Burnett for Colorado Resp. at 1 (Sept. 22, 2023). Because the two responses are nearly identical, this Report will cite only to "Burnett Resp."

<sup>&</sup>lt;sup>7</sup> Burnett Resp. at 1-2.

<sup>8</sup> Id. at 1, Ex. A (Email and Ltr. from Westley Crouch to Debby Burnett (May 25, 2023, 12:44 p.m.)).

Id., Ex. A ("You winning this election is more important than paying me and doing this will not only relieve any stress you have towards my pay but free up any future funds to be used as needed to get on the ballot in 2024.").

<sup>&</sup>lt;sup>10</sup> *Id*.

<sup>11</sup> *Id.* at 1.

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- 1 Crouch indicates his concern that he made an excessive contribution to the Committee and threatens
- 2 to file a complaint with the Commission unless he is repaid an amount that brings his contribution
- 3 to below the individual limit.<sup>12</sup>

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Based on its experience and expertise, the Commission has established an Enforcement 4 5 Priority System using formal, pre-determined scoring criteria to allocate agency resources and 6 assess whether particular matters warrant further administrative enforcement proceedings. These criteria include (1) the gravity of the alleged violation, taking into account both the type of activity 7 8 and the amount in violation; (2) the apparent impact the alleged violation may have had on the 9 electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in 10 potential violations and other developments in the law. This matter is rated as low priority for 11 Commission action after application of these pre-established criteria. Given that low rating, and 12 apparent low dollar amount at issue, we recommend that the Commission dismiss the Complaint

consistent with the Commission's prosecutorial discretion to determine the proper ordering of its

<sup>12</sup> Id., Ex. B (Emails between Clark Davidson, Counsel for the Committee, and Westley Crouch from June 27, 2023 and July 4, 2023).

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- 1 priorities and use of agency resources. 13 We also recommend that the Commission close the file as
- 2 to all Respondents and send the appropriate letters.

3 4 5 6 7			Lisa J. Stevenson Acting General Counsel
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9			Charles Kitcher
10			Associate General Counsel
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12 13	March 12, 2024	BY:	( laudio fuzi
14	Date	21.	Claudio J. Pavia
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