



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

February 9, 2024

Via Electronic Mail

Neil P. Reiff
Sandler Reiff Lamb Rosenstein & Birkenstock, P.C.
1090 Vermont Ave. NW, Ste. 750
Washington, DC 20005
reiff@sandlerreiff.com

RE: MUR 8213
(formerly AR 23-02) Sheila Jackson
Lee for Congress and Karen Grays,
in her official capacity as treasurer

Dear Mr. Reiff:

On March 10, 2023, the Federal Election Commission notified your client, Sheila Jackson Lee for Congress and Karen Grays, in her official capacity as treasurer (the "Committee"), that it had been referred by the Audit Division to the Commission's Office of General Counsel for possible enforcement action under 52 U.S.C. § 30109. A copy of the Audit Referral was forwarded to your client at that time.

After review of the available information, on February 6, 2024, the Commission found reason to believe that the Committee violated: (1) 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by misstating \$120,605 in receipts in calendar year 2020; (2) 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting a total of \$129,600 of excessive contributions; and (3) 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2 by knowingly accepting a total of \$10,450 of prohibited corporate contributions. The Factual and Legal Analysis, which formed the basis for the Commission's findings, is enclosed for your information.

Please note that your client has a legal obligation to preserve all documents, records and materials relating to this matter until such time as it is notified that the Commission has closed its file in this matter. *See* 18 U.S.C. § 1519.

In order to expedite the resolution of this matter, the Commission has authorized the Office of the General Counsel to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Pre-probable cause conciliation is not mandated by the Act or the Commission's regulations, but is a voluntary step in the enforcement process that the Commission is offering to you as a way to resolve this matter at an early stage and without the need for briefing the issue of whether the Commission should find probable cause to believe that your client violated the law.

If your client is interested in engaging in pre-probable cause conciliation, please contact Christopher S. Curran, the attorney assigned to this matter, at (202) 694-1362 or ccurran@fec.gov, within seven days of receipt of this letter. During conciliation, you may submit any factual or legal materials that you believe are relevant to the resolution of this matter. Because the Commission only enters into pre-probable cause conciliation in matters that it believes have a reasonable opportunity for settlement, we may proceed to the next step in the enforcement process if a mutually acceptable conciliation agreement cannot be reached within 30 days. *See* 52 U.S.C. § 30109(a), 11 C.F.R. Part 111 (Subpart A). Conversely, if your client is not interested in pre-probable cause conciliation, the Commission may conduct formal discovery in this matter or proceed to the next step in the enforcement process. Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding.

Pre-probable cause conciliation, extensions of time, and other enforcement procedures and options are discussed more comprehensively in the Commission's "Guidebook for Complainants and Respondents on the FEC Enforcement Process," which is available on the Commission's website at http://www.fec.gov/em/respondent_guide.pdf.

We look forward to your response.

On behalf of the Commission,

A handwritten signature in black ink that reads "Sean J. Cooksey". The signature is written in a cursive, flowing style.

Sean J. Cooksey
Chairman