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Washington, DC 20463

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2013 APR 17 PM 1:33

**SENSITIVE**

**MEMORANDUM**

April 17, 2013

TO: The Commission

THROUGH: Alec Palmer *AP*  
Staff Director

FROM: Patricia C. Orrock *PCO*  
Chief Compliance Officer

Lynn M. Fraser *LMF/KR*  
Director, ADR Office

BY: Krista J. Roche *KR*  
Assistant Director, ADR Office

SUBJECT: ADR 634 Rothfus for Congress and William Haskins, Treasurer, and Tom Smith  
for Senate and Lisa Lisker, Treasurer, Recommendation to Dismiss

The Office of General Counsel (OGC) referred MUR 6652, and the ADR Office designated the matter as ADR 634. The ADR Office recommends the Commission exercise prosecutorial discretion and dismiss the matter. *Heckler v. Chaney* 470 U.S. 821 (1985). We include a summary and discussion of the matter for your information.

**Summary and Analysis of Case:** A complaint filed by the Pennsylvania Democratic Party (Complainant) alleges that Rothfus for Congress and William Haskins, Treasurer and Tom Smith for Senate and Lisa Lisker, Treasurer, (collectively Respondents or the Committees) violated 11 C.F.R. § 102.17 in conjunction with an event held on October 2, 2012. The Complainant asserts that the invitation Respondents sent to a joint political event stated a "\$500 contribution allocated as you see fit is greatly appreciated." The Complainant argues that regulations require such an event be organized as a joint fundraising event, and that the invitation violated donor notice requirements found in 11 C.F.R. § 102.17(c)(2).

Pursuant to 11 C.F.R. § 102.17, committees are permitted to engage in joint fundraising when they establish a separate committee or designate a participating committee as the

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fundraising representative. Participants must enter into a written agreement that identifies the fundraising representative and states the formula for allocating fundraising proceeds. 11 C.F.R. § 102.17(c)(1). Further, the regulations provide that a joint fundraising notice be included with every solicitation for contributions. 11 C.F.R. § 102.17(c)(2). Such notice shall include the allocation formula to be used for distributing proceeds, a statement informing contributors that they may designate their contribution for a particular participant, and a statement informing contributors that the allocation formula may change if a contributor exceeds the maximum amount that contributor may give to any participant. 11 C.F.R. § 102.17(c)(2)(i).

In this matter, the requirements of 11 C.F.R. § 102.17 were not satisfied. Respondents did not enter into a written fundraising agreement and no joint fundraising solicitation notice was included with the invitation. However, Respondents contend that because no contributions were accepted, no joint fundraising occurred, thus rendering 11 C.F.R. § 102.17 inapplicable. Respondents assert that all expenses associated with the event were shared equally and the event was free of charge. While thirteen checks totaling \$2,800 were issued in association with this event, Respondents contend that no checks were deposited, and all were returned within ten days of receipt.

Due to the relatively small sum of the contributions received and the fact that none of the contributions were accepted by the Committees, the ADR Office recommends the Commission exercise prosecutorial discretion and dismiss the matter. *Heckler v. Chaney* 470 U.S. 821 (1985).

**RECOMMENDATION:**

- 1. Dismiss ADR 634 (MUR 6652), and close the file.**
- 2. Approve the appropriate letters.**

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