



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

18L-18

April 11, 2018

MEMORANDUM

TO: Krista Roche
Director
Alternative Dispute Resolution Office

FROM: Debbie Chacona *DC*
Assistant Staff Director
Reports Analysis Division

SUBJECT: Referral of Eugene Ludwig

The Reports Analysis Division (RAD) is referring Eugene Ludwig (“Mr. Ludwig”) to the Alternative Dispute Resolution Office (ADRO) for failing to timely file one (1) 24-Hour Report to support two (2) independent expenditures totaling \$49,462.21 disclosed in the 2016 Year-End Report. In accordance with the 2015-2016 *RAD Review and Referral Procedures (Standard 18)*, a review by your office is required.

Mr. Ludwig is an individual that made independent expenditures during the 2015-2016 election cycle. Mr. Ludwig has no other active or pending referable issues. Copies of any reports or letters either filed by Mr. Ludwig or sent by RAD and referenced in this referral are available for your review on the FEC web site.

If you have any questions regarding this matter, please contact Nataliya Ioffe at 694-1163 or Brad Matheson at 694-1166.

Attachments

cc: Patricia C. Orrock

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: April 11, 2018

ANALYST: Jaime Amrhein

- I. COMMITTEE: Eugene Ludwig
C90017336
Zach Parks, Counsel
2620 Foxhall Rd. NW
Washington, DC 20007
- II. RELEVANT STATUTE: 52 U.S.C. § 30104(c)
52 U.S.C. § 30104(g)(1)
11 CFR § 109.10

III. BACKGROUND:

Independent Expenditure Reporting Problems – Persons Other Than Political Committees (Form 5) (Failure to Timely File 24-Hour Reports)

Eugene Ludwig (“Mr. Ludwig”) failed to timely file one (1) 24-Hour Report to support two (2) independent expenditures totaling \$49,462.21 disclosed in the 2016 Year-End Report, made during the reporting period after the 20th day but more than 24 hours before the day of the 2016 General Election (Attachment 2).

On September 7, 2017, Mr. Ludwig filed one (1) 24-Hour Report to support two (2) independent expenditures, totaling \$49,462.21, disseminated on November 4, 2016 (Image 201709129074651032).

On September 21, 2017, Mr. Ludwig filed his 2016 Year-End Report covering the period from October 1, 2016 through December 31, 2016. Schedule 5-E (Itemized Independent Expenditures) of the report disclosed two (2) independent expenditures totaling \$49,462.21, made in support of one (1) federal candidate. Mr. Ludwig failed to timely file a 24-Hour Report to support the two (2) independent expenditures totaling \$49,462.21 for the 2016 General Election (Attachment 2, Image 201709219075514637).

On November 17, 2017, a Request for Additional Information (RAI) was sent to Mr. Ludwig referencing the 2016 Year-End Report. Among other items, the RAI noted that Mr. Ludwig may have failed to timely file a 24-Hour Report for the two (2) independent expenditures disclosed on Schedule 5-E (Image 201711180300095206).

On December 12, 2017, Mr. Ludwig filed a Miscellaneous Electronic Submission (“FEC Form 99”) which stated, in part:

“Your letter also states that the 2016 Year-End report discloses independent expenditures that do not appear on 24-hour reports. These independent expenditures, however, were in fact disclosed on a late 24-hour report filed on September 7, 2017” (Image 201712129089180826).

On January 11, 2018, the Reports Analysis Division (RAD) Analyst emailed Mr. Ludwig’s representative to inform him that the issues cited in the RAI may be referred for potential further action. The email requested the filer call the Analyst to discuss the matters (Attachment 3).

Later on January 11, 2018, Zach Parks, Counsel for Mr. Ludwig, called the RAD Analyst to discuss the outstanding issues from the RAI. The Analyst explained the 24-Hour Report disclosing the two (2) independent expenditures was filed late after the 2016 General Election. The Analyst advised Mr. Parks that this matter would be referred to another Commission office for potential further action. Mr. Parks stated he would inform his client and provide any additional clarification on this issue on the public record (Attachment 3).

On January 17, 2018, Mr. Ludwig filed an FEC Form 99 which stated, in part:

“This letter provides additional information in response to your letter dated November 17, 2017, regarding independent expenditures reported on Eugene Ludwig’s 2016 Year-End Report. Mr. Ludwig paid for the reported independent expenditures from his personal funds. No person made a contribution to Mr. Ludwig for the purpose of furthering the reported independent expenditures” (Image 201801179090430436).

To date, no further communications have been received from the Filer regarding this matter.

O-Index (2017-2018)															
Cmte. ID: C90017336 Cmte. Name: LUDWIG, EUGENE															
Treasurer Name: null Address: 2620 FOXHALL RD. NW, WASHINGTON, DC 20007															
Cmte. Type: I (INDEPENDENT EXPENDITURE - PERSON OR GROUP NOT A COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
MS-T			12/12/2017	1	201712129089180826				-	-	-	-	-	-	-
MS-T			1/17/2018	1	201801179090430436				-	-	-	-	-	-	-
F5N	24	N	9/7/2017	2	201709129074651031				-	\$0	\$49,462	-	-	-	-
Totals									\$0	\$49,462					

O-Index (2015-2016)															
Cmte. ID: C90017336 Cmte. Name: LUDWIG, EUGENE															
Treasurer Name: null Address: 2620 FOXHALL RD. NW, WASHINGTON, DC 20007															
Cmte. Type: I (INDEPENDENT EXPENDITURE - PERSON OR GROUP NOT A COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
RQ2	YE	N	11/17/2017	3	201711180300095206	10/1/2016	12/31/2016	11/17/2017	-	-	-	-	-	-	-
F5N	YE	N	9/21/2017	3	201709219075514635	10/1/2016	12/31/2016		-	\$0	\$49,462	-	-	-	-
Totals									\$0	\$49,462					

O-Index (2013-2014)															
Cmte. ID: C90017336 Cmte. Name: LUDWIG, EUGENE															
Treasurer Name: null Address: 2620 FOXHALL RD. NW, WASHINGTON, DC 20007															
Cmte. Type: I (INDEPENDENT EXPENDITURE - PERSON OR GROUP NOT A COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans

No records were found for this cycle.

Eugene Ludwig (C90017336)
 2016 Year-End Report, received 9/21/2017

24-Hour Report Not Timely Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount	Candidate Supported	Election	24-Hour Report Filed
Sard Verbinnen & Co.	11/4/2016	\$6,559.87	Clinton, Hillary	2016 General	9/7/2017
Sard Verbinnen & Co.	11/4/2016	\$42,902.34 <i>24-Hour Report Required</i>	Clinton, Hillary	2016 General	9/7/2017
	TOTAL	\$49,462.21			

Communication Log

SENSITIVE

Committee ID: C90017336	Multi-Candidate Status/Date: No
Committee Name: LUDWIG, EUGENE	Date Effective:
Committee Designation: UNAUTHORIZED	Committee Type: Individuals and Other Groups Who Make Independent Expenditures
Filing Frequency: QUARTERLY FILER	Treasurer Name: Not Available
Candidate ID: Not Available	Committee Address: 2620 FOXHALL RD. NW WASHINGTON, DC 20007
Candidate Name: Not Available	Analyst Assigned: Jaime Amrhein
Special Interest Group: Not Available	Analyst Extension: 1174

Response Number: RAD0001162 Assigned to: Jaime Amrhein Approver: Bradley Matheson Committee: LUDWIG, EUGENE Sent Date: 01/11/2018
Subject: Email notification of possible referral.
Body: Dear Filer, I am the assigned Campaign Finance Analyst for Eugene Ludwig FEC ID # C90017336. This is in regard to outstanding matters questioned on the Request for Additional Information (RFAI) referencing the 2016 Year-End Report. I reviewed your FEC Form 99 response filed on 12/12/2017. At this time, these issues are unresolved and can be referred to the Commission for potential further action. Please contact me at (202) 694-1174 to discuss this time sensitive matter. (Please do not reply to this email.) I would appreciate a return call as soon as possible so I can assist you with clarifying the outstanding matters for the public record. Thank you, Jaime Amrhein Reports Analysis Division Federal Election Commission (202) 694-1174

Contact	Communication Date & Time	Analyst	Type
Zach Parks	01/11/2018 01:55 PM	Jaime N Amrhein	Phone Call
Summary	<p>Mr. Parks, Counsel to Mr. Ludwig, called to discuss the outstanding issues from the Request for Additional Information (RFAI) on Mr. Ludwig's 2016 Year-End Report. I advised Mr. Parks that both issues are potentially referable for further action. I explained they will be referred for filing the 24-Hour Report late, which was filed after the 2016 General Election. Mr. Parks confirmed he understands that issue. I then explained the other issue cited in the RFAI, regarding no contributions disclosed on the 2016 Year-End Report, could also be referred, but it could be corrected with further clarification on the public record. I advised we need them to clarify whether the independent expenditures were made using only the individual filer's personal funds and whether he therefore received no additional contributions to fund them. I explained they could address this by filing a Miscellaneous Electronic Submission (FEC Form 99) further clarifying it or by amending the 2016 Year-End Report to include a Schedule 5-A reporting Mr. Ludwig as the contributor for the full amount. Mr. Parks asked why they need to disclose this information and I directed him to the instructions for the FEC Form 5. I explained the funds Mr. Ludwig used are considered a contribution that would require disclosure on Schedule 5-A. Mr. Parks stated he would speak to his client and they will file any additional response to address these issues. I advised he can call me directly with any further questions.</p>		