

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: September 18, 2018

ANALYST: Corinne Lucas

I. COMMITTEE:

Marijuana Policy Project PAC
(C00389882)
Don Murphy, Treasurer (3/19/18-Present)
Robert D. Kampia, Treasurer (5/24/10-
3/18/18)
2370 Champlain Street NW
Washington, DC 20009

II. RELEVANT STATUTES:

52 U.S.C. § 30104(b)(4)
11 CFR § 104.3(b)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

Marijuana Policy Project PAC (“the Committee”) amended its 2017 Mid-Year Report to disclose additional disbursements of \$143,129.99, which were not disclosed on the original report.

On August 11, 2017, the Committee filed the original 2017 Mid-Year Report covering the period from January 1, 2017 through June 30, 2017. The report disclosed \$0.00 in disbursements on Line 21(b) (Other Federal Operating Expenditures), \$4,500.00 in disbursements on Line 23 (Contributions to Federal Candidates and Committees), and \$0.00 in disbursements on Line 29 (Other Disbursements) of the Detailed Summary Page (Image 201708119070322549, Attachment 2).

On September 13, 2017, the Committee filed a Miscellaneous Electronic Submission (“FEC Form 99”) which stated:

“The Marijuana Policy Project PAC made two additional contributions, please see below:

TO: NATIONAL CANNABIS INDUSTRY ASSOCIATION PAC
(C00528026)

DATE: 02/10/2017

AMOUNT: \$5,000

TO: CONGRESSIONAL PROGRESSIVE CAUCUS PAC
(C00513176)

DATE: 03/09/2017

AMOUNT: \$5,000.00" (Image 201709139074684672).

On December 10, 2017, a Miscellaneous Notice (MS-N) was sent to the Committee referencing the FEC Form 99, received September 13, 2017. The MS-N stated that the Committee's FEC Form 99 would not be considered an amendment to the 2017 Mid-Year Report (Image 201712100300095679).

On January 24, 2018, the Committee filed an Amended 2017 Mid-Year Report. The report disclosed \$0.00 in disbursements on Line 21(b), \$14,500.00 in disbursements on Line 23, and \$0.00 in disbursements on Line 29 of the Detailed Summary Page (Image 201801249090621788).

On April 15, 2018, the Committee filed an Amended 2017 Mid-Year Report. The report disclosed \$379.99 in disbursements on Line 21(b), \$22,000.00 in disbursements on Line 23, and \$125,250.00 in disbursements on Line 29 of the Detailed Summary Page, a total increase of \$143,129.99 from the original report (Image 201804159108208827, Attachment 2).

On May 29, 2018, a Request for Additional Information (RAFI) was sent to the Committee referencing the Amended 2017 Mid-Year Report, received April 15, 2018. Among other items, the RAFI requested clarification regarding the substantial increase in disbursements disclosed on the Amended 2017 Mid-Year Report (Image 201805290300010802).

On June 21, 2018, Chris Lindsey, the Committee's Custodian of Records, spoke with the Reports Analysis Division (RAD) Analyst. Among other items, the RAD Analyst asked if the Committee received the RAFI sent on May 29, 2018, referencing the Amended 2017 Mid-Year Report, received April 15, 2018. Mr. Lindsey confirmed that the Committee had received the RAFI, but he was not handling the response personally. The RAD Analyst encouraged Mr. Lindsey to have the person responsible for the response contact them if they had any questions (Attachment 3).

On July 3, 2018, Mr. Lindsey called regarding the RAFI sent May 29, 2018 referencing the Amended 2017 Mid-Year Report, received April 15, 2018. Mr. Lindsey explained that he had a paper response to submit, but was unsure how to file it. The RAD Analyst advised that he may send it via courier, overnight service, or registered/certified mail (Attachment 3).

Also on July 3, 2018, the Committee filed an FEC Form 99 which stated, in part:

“This is in response to your request that Marijuana Policy Project PAC (the “Committee”) submit additional information regarding the Committee’s Amended Mid-year report (01/01/2017 ? 0630/2017) filed on April 15, 2018. You have requested clarifying information regarding the Committee’s disclosure of an increase in receipts and disbursements totaling \$81,873.27 and \$143,129.99, respectively. In November 2017, the former treasurer of the Committee stepped down as Executive Director of the Committee’s connected organization and was subsequently removed as treasurer

of the Committee. The former treasurer did not appear to be sufficiently aware of and/or trained in the complex requirements of the federal campaign finance system, because the new staff at the Committee discovered various transactions and in particular a few large transfers between the Committee and the connected organization which make up the bulk of the increases noted above that the treasurer had failed to accurately report on the Committee’s Mid-Year 2017 report. Immediately upon this discovery, the new staff at the Committee undertook a full review of the situation and prepared amendments to correct the public record. This is the source of both the increase in receipts and disbursements and the issue concerning transfers to the connected organization” (Image 201807039115213372).

On July 10, 2018, the RAD Analyst called Mr. Lindsey regarding the increase in disbursements on the Amended 2017 Mid-Year Report. The RAD Analyst informed him that the issue will be referred for potential further action. The RAD Analyst confirmed receipt of the FEC Form 99 filed July 3, 2018 and stated that the Committee could file another FEC Form 99 if there is any additional information about the increase in activity (Attachment 3).

On July 11, 2018, the RAD Analyst called Don Murphy, the Committee’s Treasurer, and left a voicemail. The Analyst stated that the increase in disbursements noted on the RFAI sent May 29, 2018, referencing the Committee’s Amended 2017 Mid-Year Report, received April 15, 2018, will be referred for further action. The RAD Analyst encouraged a return phone call (Attachment 3).

On July 24, 2018, the RAD Analyst left a voicemail for Mr. Murphy. The Analyst explained that the increase in disbursements disclosed on the Committee’s Amended 2017 Mid-Year Report, received April 15, 2018, will be referred to another office within the Commission for further action. The RAD Analyst encouraged a return phone call (Attachment 3).

To date, no further communication has been received from the Committee regarding this matter.

O-Index (2017-2018)

Cmte. ID: C00389882 Cmte. Name: MARIJUANA POLICY PROJECT PAC
Treasurer Name: MURPHY, DON MR. Address: 2370 CHAMPLAIN STREET NW, WASHINGTON, DC 20009
Cmte. Type: Q (QUALIFIED NON-PARTY) Cmte. Designation: B (LOBBYIST/REGISTRANT PAC) Filing Frequency: QUARTERLY FILER

Table with columns: Form Tp, Rpt Tp, All, Recept Dt, Pgs, Begin Img#, Beg Cvg Dt, End Cvg Dt, Ltr Mail Dt, Begin Cash, Recpts, Disb, End Cash, Debits, Loans, Debits & Loans. Rows include MS-T, MS-N, MS-T, RQ1, RQ2, RQ2, RQ7, RQ7, F3XN, F3XA, F3XA, F3XN, F3XA, F3XN, F3XN, F1A, F1A, and Totals.

O-Index (2015-2016)

Cmte. ID: C00389882 Cmte. Name: MARIJUANA POLICY PROJECT PAC
Treasurer Name: MURPHY, DON MR. Address: 2370 CHAMPLAIN STREET NW, WASHINGTON, DC 20009
Cmte. Type: Q (QUALIFIED NON-PARTY) Cmte. Designation: B (LOBBYIST/REGISTRANT PAC) Filing Frequency: QUARTERLY FILER

Table with columns: Form Tp, Rpt Tp, All, Recept Dt, Pgs, Begin Img#, Beg Cvg Dt, End Cvg Dt, Ltr Mail Dt, Begin Cash, Recpts, Disb, End Cash, Debits, Loans, Debits & Loans. Rows include F3XN, F3XN, F3XA, F3XN, F3XA, F3XA, F3XN, F3XN, F3XA, F3XN, F3XA, F3XN, F3XA, F3XN, F3XA, F3XN, F3XA, F3XN, F3XA, F3XN, and Totals.

O-Index (2013-2014)

Cmte. ID: C00389882 Cmte. Name: MARIJUANA POLICY PROJECT PAC
Treasurer Name: MURPHY, DON MR. Address: 2370 CHAMPLAIN STREET NW, WASHINGTON, DC 20009

Marijuana Policy Project PAC
(C00389882)
2017 Mid-Year Report/Amended 2017 Mid-Year Report

Overview of Additional Disbursements

| Report Line | Original 2017 Mid-Year Report (Image 201708119070322549) | Amended 2017 Mid-Year Report, received 4/15/2018 (Image 201804159108208827) | Variance Amount |
|---|--|---|---------------------|
| Line 21(b): Other Federal Operating Expenses | \$0.00 | \$379.99 | \$379.99 |
| Line 23: Contributions to Federal Candidates and Committees | \$4,500.00 | \$22,000.00 | \$17,500.00 |
| Line 29: Other Disbursements | \$0.00 | \$125,250.00 | \$125,250.00 |
| | | Total: | \$143,129.99 |