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October 11, 2018

Jeff S. Jordan
Assistant General Counsel
Complaints Examination & Legal Administration
Federal Election Commission
1050 First Street, NE
Washington, DC 20463
VIA EMAIL at cela@fec.gov

Re: MUR 7480: Outsider PAC's Response to Complaint

Dear Mr. Jordan:

I am writing this letter on behalf of Outsider PAC and Julie Dozier in her official capacity as Treasurer (the "PAC") in response to your letter regarding the Complaint filed in the above-referenced matter by Campaign Legal Center. In the letter to the PAC, you state that the Commission "received a complaint that indicates [the PAC] may have violated the Federal Campaign Act of 1971, as amended (the 'Act')." I respectfully disagree. Nothing in the Complaint in any way indicates that the PAC may have violated the Act. Indeed, the Complaint does not name the PAC as a Respondent in this matter, and it does not allege any violation of the Act on the part of the PAC. Instead, Commission staff took it upon themselves to improperly name the PAC as a Respondent.

The Complaint does not allege that the PAC violated the Act because there are no set of facts to support such an allegation. The Act's prohibitions that form the nexus of the Complaint do not encompass the PAC. Because there are no facts alleged supporting a conclusion that the PAC violated the Act, the Commission should find no reason to believe that the PAC violated the Act.

I. The Complaint.

The allegations in the Complaint are quite simple. The Complaint alleges that Haworth, Inc. ("Haworth"), is a private Michigan company that is prohibited from making contributions under the Act because it is a government contractor. The Complaint alleges that in 2018 pre-primary report, the PAC reported a \$10,000 contribution from Haworth. The Complaint alleges

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that because Haworth is prohibited from making contributions, Haworth violated the Act when it made a contribution to the PAC. The Complaint does not in any way allege that the PAC knew Haworth was a government contractor nor that it knowingly solicited a prohibited contribution from Haworth.

II. Legal Standard.

The Act prohibits a federal contractor from making any “contribution to any political party, committee, or candidate for public office” at any time between the commencement of negotiations for a federal contract and the completion of performance or termination of negotiations for a contract. 52 U.S.C. § 30119(a)(1). The Act further prohibits any person from knowingly soliciting a contributions from a prohibited federal contractors. *Id.* § 30119(a)(2).

In Matters Under Review such as this, the Commission may find “reason to believe” only if a complaint sets forth sufficient specific facts, which, if proven true, would constitute a violation of the Act. *See* 11 C.F.R. § 111.4(a), (d). Unwarranted legal conclusions from asserted facts or mere speculation will not be accepted as true. *See* MUR 4960, Commissioners Mason, Sandstrom, Smith and Thomas, Statement of Reasons (Dec. 21, 2001).

III. Discussion.

It is clear that under the Act the PAC could not have committed any violation simply by receiving the contribution from Haworth. Instead, the only way the PAC could have violated the Act is if it knowingly solicited the contribution from Haworth. There are no facts alleged in the Complaint that the PAC knew that Haworth was a federal contractor. That is because the PAC did not know that Haworth was a federal contractor. Moreover, in order to prevent it from receiving a contribution from a federal contractor, the PAC’s donor forms that are required for all contributions specifically instruct all federal contractors to seek advice of their counsel as to whether they are permitted to making contributions under federal law.

Attached, please find a sworn declaration by Julie Dozier, the Treasurer of Outsider PAC, declaring that the PAC had no knowledge that Haworth is or may be a federal contractor prohibited from making contributions.¹

¹ In MUR 7099 (Priorities USA Action), a political committee was specifically alleged in the complaint to have knowingly solicited contributions from a federal contractor. The committee denied those allegations, but the Office of General Counsel recommended that the Commission “take no action at this time with respect to the Committee” because the committee’s denials were unsworn, and because it was “possible” that the committee’s “response to the reason-to-believe finding could provide information regarding the making of” the contributions. *See* First Gen. Counsel’s Rpt. at 7 (MUR 7099) Despite this recommendation, it appears that the Commission found no reason to believe that the committee violated the Act. *See* Notification to Priorities USA Action (MUR 7099).

Unlike in MUR 7099, the Complaint here contains no facts or allegations that the PAC knew that Haworth was or may have been prohibited from making a contribution, and the PAC has included a sworn statement supporting its denial. Further, it is worth noting that out of an abundance of caution, the PAC refunded Haworth’s contribution within 48 hours of when it became aware that Haworth may be a federal contractor.

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Because there are no facts alleging that the PAC violated the Act, and because the PAC did not knowingly solicit a prohibited contribution, the Commission should find no reason to believe the Outsider PAC and Julie Dozier in her official capacity as Treasurer violated the Act. Thank you for your prompt consideration of this matter, and please do not hesitate to contact me directly at (202) 640-6684 with any questions.

Respectfully submitted,



Derek H. Ross
Counsel to Outsider PAC

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DECLARATION OF JULIE DOZIER

My name is JULIE DOZIER. I have personal knowledge of the facts set forth herein, and declare as follows:

1. I am the Treasurer of Outsider PAC (the "PAC").
2. As Treasurer, I am responsible for keeping all financial records for the PAC.
3. I have reviewed the Complaint in MUR 7480 and allegations therein and discussed them with the PAC's counsel.
4. Based on my personal knowledge and the information I have received from Outsider PAC and its agents, it is my belief that the PAC and its agents had no knowledge that Haworth, Inc. is or may be prohibited from making contributions to the PAC.
5. Based on my personal knowledge and the information I have received from Outsider PAC and its agents, it is my belief that the PAC and its agents did not knowingly solicit a prohibited contribution from Haworth, Inc.
6. Based on my extensive experience as a treasurer, familiarity with all records related to the PAC, and consultation with PAC's agents and counsel, I am confident that the PAC is in compliance with all federal laws and regulations.
7. I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on this Eleventh day of October, 2018.

Julie Dozier
Julie Dozier, Treasurer to Outsider PAC

City: Birmingham

State: Alabama