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April 24, 2006

AOR 2006-16

Rosie Smith, Esquire  
Associate General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

VIA FACSIMILE AND  
FEDERAL EXPRESS

2006 APR 25 A 11: 23

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

**RE: Request for Expedited Advisory Opinion**

Dear Ms. Smith:

I represent Nancy Detert, who is a current member of the Florida House of Representatives, District 70. Representative Detert is also a candidate for the United States House of Representatives, Florida District 13. Representative Detert is directly affected by the Federal Election Campaign Act and therefore, is entitled to request an opinion of the Federal Elections Commission. I am Representative Detert's attorney in this matter and have been authorized to request an expedited advisory opinion on Representative Detert's and her campaign's behalf.

Representative Detert filed to run for the United States House of Representatives in June of 2005. As required, Representative Detert appointed a campaign treasurer – Mr. Randolph “Randy” Maddox. Mr. Randy Maddox had been in the employ of Representative Detert for approximately two years and Representative Detert believed that Mr. Randy Maddox could adequately perform the responsibilities of a campaign treasurer. As a duly appointed campaign treasurer, Mr. Randy Maddox had signatory authority on the campaign account.

Representative Detert raised approximately \$125,000 since opening her campaign account, while expending some funds for campaign expenses. The funds were held in a Wachovia bank account under the name “Campaign to Elect Nancy Detert”

On or about Monday, April 3, 2006, Mr. Randy Maddox misappropriated \$94,616.90, via an unauthorized wire transfer, from Representative Detert's campaign account. Mr. Randy Maddox had the funds wired to his account at Empower Financial. A copy of the wire transfer document is enclosed. On Wednesday, April 5, 2006, Mr. Randy Maddox withdrew the funds in cash and in person.

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On or about Sunday, April 8, 2006, Mr. Randy Maddox communicated with individuals who were able to determine his location as Buenos Aries, Argentina. Also, it was determined that Mr. Randy Maddox had the misappropriated funds with him in Argentina. That same day, a missing person's report was filed with the Manatee County, Florida Sheriff's office.

On Monday, April 9, 2006, Representative Detert was informed of the circumstances surrounding Mr. Randy Maddox's absence. She immediately checked her campaign account to find that Mr. Randy Maddox had misappropriated \$94,616.90 of her campaign funds.

Mr. Randy Maddox's parents, Robert and Ingrid Maddox, wishing to assist their son, applied for a home equity loan on Thursday, April 13, 2006. That same day Mr. Randy Maddox returned to the United States. Upon arriving at the Miami International Airport, Mr. Randy Maddox declared \$67,450 in cash. The cash was deposited into a Bank of America account.

On Saturday, April 14, 2006, Mrs. Ingrid Maddox obtained a check from Bank of America for \$94,616.90 and delivered it to Mr. Mark Reinhold. Mr. Reinhold is Mr. Randy Maddox's attorney and is holding the funds in his trust account.

As of today's date, Mr. Randy Maddox has not been charged with a crime. However, and as expected, Representative Detert has relieved him from his duties as campaign treasurer and has appointed a replacement campaign treasurer. Additionally, Representative Detert notified the Federal Bureau of Investigations of the misappropriation.

Because Mr. Randy Maddox was in possession of \$67,450 of the misappropriated funds in cash upon his return to the United States, I believe, under the rationale of Federal Election Commission Advisory Opinion Number 1991-38, Representative Detert could immediately accept the return of those misappropriated funds and immediately redeposit them into her campaign account.

It is Representative Detert's understanding that Mr. and Mrs. Maddox obtained funds to benefit their son and have made either an irrevocable gift or a loan to their son. The funds have been placed on deposit with their son's attorney. The funds are the possession of Mr. Randy Maddox and the disposition of any such funds is within the discretion of Mr. Randy Maddox. Mr. Randy Maddox, therefore, can make restitution to Representative Detert by authorizing his attorney to immediately transmit funds in the amount of \$27,166.90 from the attorney's trust account to Representative Detert for immediate deposit into her campaign account.

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The amount held in Mr. Reinhold's trust account equals the amount of the irrevocable gift or loan from Mr. and Mrs. Maddox given to Mr. Randy Maddox and the amount of the misappropriated funds in Mr. Randy Maddox's possession upon his return to the United States. Mr. Randy Maddox can authorize full restitution of \$94,616.90 be immediately paid to Representative Detert from the funds on deposit in his attorney's trust account.

Based upon the foregoing facts, I respectfully request that an expedited advisory opinion be issued as soon as possible addressing the following questions:

1. What is the procedure for correctly reporting the misappropriation of funds?
2. May Representative Detert immediately accept the \$67,450 in misappropriated funds Mr. Randy Maddox had in his possession when he returned to the United States? May those funds be disbursed from Mr. Reinhold's trust account?
3. May Representative Detert immediately deposit the \$67,450 into her campaign account?
4. What is the correct procedure for reporting the deposit of \$67,450?
5. May Representative Detert immediately accept the \$27,166.90 from the funds held in Mr. Reinhold's trust account?
6. May Representative Detert immediately deposit the \$27,166.90 into her campaign account?
7. What is the correct procedure for reporting the deposit of \$27,166.90?

Time is of the essence in this matter, as Representative Detert must qualify between May 8 and May 12, 2006 for the federal office for which she is running. In order to so qualify, Representative Detert must have full access to the funds that were misappropriated from her campaign account. Without the immediate return of the misappropriated funds, Representative Detert will not have sufficient funds to pay the required qualifying fees.

**Rosie Smith, Esquire**  
**April 24, 2006**  
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**I look forward to receiving your advisory opinion and greatly appreciate your expediting this matter. If you have any questions or need additional information, please call.**

**Sincerely,**



**Richard E. Coates**

**Enclosure**

**cc: The Honorable Nancy Detert**

**Christopher Wyrick**  
**Senior Florida Analyst**  
**Federal Elections Commission**

DEPCTI A388892 BPZEK201 Dep Acct Current Transaction Inq BACTD003 04/10/06 11:06

Org: 003 Serv: DDA Acct: 2000028672780

C/W: Date:

MORE: +

Short Name: COMMITTEE TO EL

Daily Bal:

97,318.72

Date	Serial	T/C	Amount	T/S	Cap	Rec	Sequence	Date/Desc	
04/03/06		025	1,220.00+	001	031	031	6634830561	DEPOSIT	
		269	94,616.90-	062	001	034	0403052143	FUNDS TR DR	
			FUNDS TRANSFER (ADVICE 060403052143)						
			SENT TO BANK OF AMERICA I/						
			BNF-EMPOWER FINANCIALS INC						
			OBI-REMIT NUMBERS 23316 22555 23811 233						
			RFB=060403150263 04/C3/06 01:43PM						
				DAILY BAL:				3,921.82	

04/05/06	1061	079	500.00-	047	991	031	0253386600	CHECK
				DAILY BAL:				3,421.82

Command:

F1=Help F3=Exit F7=Bkwd F8=Fwd

**RICHARD E. COATES**

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April 28, 2006

Rosie Smith, Esquire  
 Associate General Counsel  
 Federal Election Commission  
 999 E Street, NW  
 Washington, DC 20463

VIA FACSIMILE AND  
 FEDERAL EXPRESS

2006 APR 28 A 10:50

RECEIVED  
 FEDERAL ELECTION  
 COMMISSION  
 OFFICE OF GENERAL  
 COUNSEL

**RE: Request for Expedited Advisory Opinion**

Dear Ms. Smith:

This letter is in furtherance of my letter to you of April 24, 2006, requesting an Expedited Advisory Opinion on behalf of Representative Nancy Detert. I represent Representative Detert in this matter.

Based upon my further review of Federal Election Commission Opinion Number 1991-38 and the advice contained therein, I have advised my client, Representative Detert, that she may immediately accept the \$67,450 of misappropriated funds. This amount represents the funds Mr. Randy Maddox possessed when he returned to the United States from Buenos Aires, Argentina. As I outlined in my previous letter, it is Representative Detert's understanding that there is \$94,616.90 in funds belonging to Mr. Maddox currently being held in his attorney's trust account. This is the amount of funds Mr. Maddox misappropriated from Representative Detert's campaign fund.

I have advised Representative Detert that she may request funds in the amount of \$67,450 be released from the funds held in the attorney trust account. I have further advised her that she may immediately deposit those funds into her campaign account.

As I informed you previously, without the return of the funds that were misappropriated, Representative Detert will not have sufficient funds in her campaign account to pay the qualifying fee of \$9,726.00. The qualifying fee must be paid no later than noon on May 12, 2006. Representative Detert also requires funds with which to run her campaign. For the remainder of the Regular Legislative Session, scheduled to conclude on May 5, 2006, Representative Detert is honoring the Rules of the Florida House of Representatives, of which she is a member, by not personally soliciting campaign contributions.

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Based upon my advice to Representative Detert, I respectfully request that the Expedited Advisory Opinion include advice only to questions 1, 4, 5, 6 and 7 contained in my original letter to you dated April 24, 2006.

I look forward to receiving your advisory opinion and greatly appreciate your expediting this matter. If you have any questions or need additional information, please call.

Sincerely,



Richard E. Coates

Enclosure

cc: The Honorable Nancy Detert