By Office of the Commission Secretary at 3:25 pm, Oct 03, 2024



AGENDA DOCUMENT NO. 24-43-A AGENDA ITEM For meeting of October 10, 2024

October 3, 2024

MEMORANDUM

TO: The Commission

Lisa J. Stevenson LJS by RMK FROM:

Acting General Counsel

Neven F. Stipanovic NFS by RMK

Associate General Counsel

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AO 2024-14 (DSCC and Rosen for Nevada) Draft A Subject:

Attached is a proposed draft of the subject advisory opinion. We have been asked to place this draft on the Agenda by one or more Commissioners.

Members of the public may submit written comments on the draft advisory opinion. We are making this draft available for comment until 12:00pm (Eastern Time) on October 9, 2024.

Members of the public may also attend the Commission meeting at which the draft will be considered. The advisory opinion requestor may appear before the Commission at this meeting to answer questions.

For more information about how to submit comments or attend the Commission meeting, go to https://www.fec.gov/legal-resources/advisory-opinions-process/.

Attachment

1	ADVISORY OPINION 2024-14	
2 3	Jacquelyn K. Lopez, Esq.	
4	Jonathan A. Peterson, Esq. DRAFT A	
5	Emma R. Anspach, Esq.	
6	Elias Law Group LLP	
7	250 Massachusetts Ave., NW	
8	Suite 400	
9	Washington, DC 20001	
10		
11		
12	Dear Counsel:	
13	We are responding to the advisory opinion request you submitted on behalf of the	ne
14	Democratic Senatorial Campaign Committee ("DSCC") and Rosen for Nevada, regarding	ng
15	the application of the Federal Election Campaign Act, 52 U.S.C. §§ 30101-45 (the	
16	"Act"), and Commission regulations to certain proposed hybrid television advertisement	ıts
17	that DSCC and Rosen for Nevada would like to disseminate for the upcoming 2024	
18	general election. Requestors ask whether they may evenly split the cost of hybrid	
19	television advertisements that clearly identify Senator Rosen and equally promote on a	
20	time/space basis her candidacy for U.S. Senate and generic candidates of the Democrati	ic
21	Party and, for three proposed advertisements, whether certain audio and visual	
22	components of the advertisements serve as party or candidate advocacy.	
23	The Commission concludes that DSCC and Rosen for Nevada may evenly split	
24	the cost of hybrid television advertisements so long as the time and space devoted to	
25	Senator Rosen does not exceed the time and space in the advertisement devoted to the	
26	generically referenced candidates. The Commission further concludes that, regarding	
27	advertisement (A), portions of the advertisement featuring Senator Rosen or narrated by	y
28	Senator Rosen must be treated as candidate advocacy; regarding advertisement (B), the	
29	phrase "greedy politicians" and the visual of pharmaceutical executives are not allocable	e

- 1 as party advocacy; and regarding advertisement (C), the proposed audio and visual
- 2 references to Donald J. Trump, a federal candidate for U.S. President, are not allocable as
- 3 party advocacy.

4 Background

- 5 The facts presented in this advisory opinion are based on your letter received on
- 6 September 18, 2024, attached exhibits, and publicly available information.
- 7 DSCC is a national party committee of the Democratic Party, dedicated to
- 8 electing Democrats to the U.S. Senate. Rosen for Nevada is the principal campaign
- 9 committee of U.S. Senator Jacky Rosen, who currently represents Nevada and is a
- 10 candidate for reelection in the 2024 general election.²
- DSCC and Rosen for Nevada plan to split the costs of hybrid television
- advertisements disseminated in Nevada (between September 18, 2024, and November 5,
- 13 2024). They do not provide specific scripts for such advertisements but they describe
- them as advertisements that will clearly identify Senator Rosen and "equally promote" on
- a time/space basis "Senator Rosen's candidacy for the U.S. Senate (either through
- advocacy for her or against her opponent) and generic candidates of the Democratic party
- 17 (either through advocacy for generic Democratic candidates or against generic
- 18 Republican candidates)."³ They plan to split the costs of such advertisements equally on

¹ See Advisory Opinion Request ("AOR") at AOR003; DSCC, Statement of Organization, FEC Form 1 (June 25, 2024), https://docquery.fec.gov/pdf/369/202406259652490369/202406259652490369.pdf.

² See AOR003; Rosen for Nevada, Statement of Organization, FEC Form 1 (Sept. 5, 2024), https://docquery.fec.gov/pdf/692/202409059675370692/202409059675370692.pdf.

³ AOR004.

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- the "assum[ption] that the basic framework laid out in Advisory Opinion 2006-11
- 2 [(Washington Democratic State Central Committee)] applies."⁴
- Requestors also have provided proposed audio and visual scripts for three specific
- 4 advertisements. The proposed advertisements are reprinted in the tables below.
- 5 Table 1: Advertisement (A)⁵

Audio	Visual
Democrats passed Medicare 60 years ago and are still protecting it today.	Senior citizens in doctor's office; pharmacy
Giving our seniors a safety net if they get sick and need care.	
(spoken by Senator Rosen)	
Republicans like Sam Brown? They will prioritize big pharma and gut Medicare.	Senator Rosen to camera
Profits over care. No more safety net if you get sick.	Images of big pharma execs, profit charts
(spoken by Senator Rosen)	
I will always put our Seniors first and protect Medicare.	Senator Rosen to camera
(spoken by Senator Rosen)	

Id.

⁵ See AOR008.

1 Table 2: Advertisement (B)⁶

Audio	Visual
Pharmaceutical costs are through the roof, making it hard to afford basic care.	Doctor and patient in hospital setting
(spoken by generic non-candidate voiceover)	
Greedy politicians don't care. They will prioritize big pharma's profits and won't fight to lower your costs.	Pharmaceutical executives in suits; graphs of profit margins
(spoken by generic non-candidate voiceover)	
Senator Rosen will always fight for you, voting to cap insulin prices and fighting against big pharma to protect your care.	B-roll of Senator Rosen with seniors
(spoken by generic non-candidate voiceover)	

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⁶ AOR009.

1 Table 3: Advertisement (C)⁷

Audio	Visual
Republicans pushed for the overturn of Roe v. Wade.	Video of anti-abortion protests; newspaper headlines on abortion bans
Now, women's reproductive rights are under attack.	
(spoken by generic non-candidate voiceover)	
Sam Brown? He's just another vote for a nationwide abortion ban.	Newspaper headlines on proposed national abortion ban; image of Sam Brown
(spoken by generic non-candidate voiceover)	
Don't let Sam Brown and Donald Trump take away your rights.	Photos of Sam Brown and Donald Trump
(spoken by generic non-candidate voiceover)	

Questions Presented

4 5 1. May Requestors evenly split the cost of hybrid television advertisements that

- clearly identify Senator Rosen and equally promote on a time/space basis Senator
- 7 Rosen's candidacy for the U.S. Senate (either through advocacy for her or against her
- 8 opponent) and generic candidates of the Democratic party (either through advocacy for
- 9 generic Democratic candidates or against generic Republican candidates)?
- With respect to proposed Advertisement (A), do portions of the hybrid
- 11 advertisement that feature the clearly identified candidate direct to camera

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⁷ AOR010.

- 1 and/or are narrated by the candidate need to be allocated as candidate advocacy?
- 2 3. With respect to Advertisement (B), is the phrase "greedy politicians" and the
- 3 visual of pharmaceutical executives in suits sufficient to serve as the audio and visual
- 4 references to generic candidates of the Republican Party, and thus, allocable as party
- 5 advocacy?
- 6 4. With respect to Advertisement (C), can audio or visual references to Donald
- 7 Trump qualify as a reference to generic candidates of the Republican Party, allocable as
- 8 party advocacy?

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Legal Analysis

- 10 1. May Requestors evenly split the cost of hybrid television advertisements that
- clearly identify Senator Rosen and equally promote on a time/space basis Senator
- 12 Rosen's candidacy for the U.S. Senate (either through advocacy for her or against her
- opponent) and generic candidates of the Democratic party (either through advocacy for
- 14 generic Democratic candidates or against generic Republican candidates)?
- Yes, Requestors may evenly split the cost of a hybrid television advertisement
- that clearly identifies Senator Rosen and equally promotes on a time/space basis Senator
- 17 Rosen's candidacy for the U.S. Senate (either through advocacy for her or against her
- opponent) and generic candidates of the Democratic party (either through advocacy for
- 19 generic Democratic candidates or against generic Republican candidates) provided that
- 20 the time and space devoted to Senator Rosen will actually be equal to the time and space
- 21 devoted to the generically referenced congressional candidates.⁸

⁸ AOR004.

1 Neither the Act nor Commission regulations definitively address the appropriate 2 allocation of payments for the type of communication (hybrid television advertisements) 3 proposed in this request. Commission regulations at 11 C.F.R. part 106 include both 4 general allocation rules and rules for allocating specific types of expenses in particular 5 circumstances. Section 106.1(a) provides the general rule that expenditures made on 6 behalf of more than one clearly identified candidate "shall be attributed to each such 7 candidate according to the benefit reasonably expected to be derived." For a broadcast 8 communication, the "attribution shall be determined by the proportion of space or time 9 devoted to each candidate as compared to the total space or time devoted to all 10 candidates."¹⁰ A candidate is clearly identified if his or her name or likeness appears or if his or her identity is apparent by unambiguous reference. 11 However, the expenditures 11 12 for the advertisements at issue here are being made on behalf of only one clearly identified candidate, Senator Rosen, and the references to "Democrats" and 13 "Republicans" do not clearly identify any other specific candidates. 12 Thus, section 14 15 106.1 does not apply. 16 Commission regulations at 11 C.F.R. § 106.8 (which apply only to phone banks

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conducted by a party committee) do address the attribution required for a communication

^{9 11} C.F.R. § 106.1(a).

¹⁰ *Id*.

See 52 U.S.C. § 30101(18); 11 C.F.R. §§ 106.1(d), 100.17.

See also Advisory Opinion 2004-33 (Ripon Society) at 4 (determining, for purposes of electioneering communication regulation under 11 C.F.R. § 100.29(b)(2), that reference to "Republicans in Congress" in advertisement did "not constitute an unambiguous reference to any specific Federal candidate").

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the request (*i.e.*, reference to only one clearly identified federal candidate along with a generic reference to other party candidates; and no solicitation of funds). ¹³ Under this

that possesses the same attributes as some of the broadcast advertisements described in

- 4 regulation, a flat 50 percent of the costs of a phone bank communication must be
- 5 attributed to the clearly identified candidate, and the other 50 percent must be attributed
- 6 to the party committee, regardless of the amount of time devoted to each. 14 However, the
- 7 Commission's Explanation and Justification ("E & J") of this regulation specifically
- 8 noted that the Commission had considered whether to include other forms of
- 9 communications, such as broadcast media, within the regulation's coverage but "decided
- 10 to limit the scope of new section 106.8 to phone banks . . . because each type of
- 11 communication presents different issues that need to be considered in further detail
- before establishing new rules."¹⁵
- 13 Although neither section 106.1 nor section 106.8 definitively addresses the
- 14 appropriate allocation of payments for the type of hybrid broadcast advertisements
- described in this request, the Commission previously addressed a similar issue in
- 16 Advisory Opinion 2006-11 (Washington Democratic State Central Committee). There,
- 17 the Commission considered hybrid mass mailings that expressly advocated for the
- election of only one clearly identified federal candidate, as well as the election of
- 19 generically referenced candidates of the same party, but no other clearly identified

¹³ See 11 C.F.R. § 106.8(a).

¹⁴ See id. § 106.8(b).

Party Committee Telephone Banks, 68 Fed. Reg. 64517, 64518 (Nov. 14, 2003).

- 1 candidates. 16 The Commission concluded that the mailings largely served the purpose of
- 2 influencing the election of the clearly identified federal candidate, no matter how much of
- 3 the space in the mailing was devoted to that candidate. 17 The Commission further
- 4 concluded that "[a]dvocacy related to the election of the clearly identified candidate is the
- 5 most salient feature of such a communication, as compared to the generic reference to the
- 6 party's candidates, which does not single out any particular candidate to the reader." 18
- 7 Accordingly, because the benefit reasonably expected to be derived favored the clearly
- 8 identified candidate, the Commission concluded that no less than 50 percent of the costs
- 9 of the mailings needed to be attributed to the candidate. 19 Additionally, where the space
- in the mailing devoted to the clearly identified candidate exceeded 50 percent, the
- 11 Commission concluded that the costs attributed to the candidate should reflect the relative
- proportion of space devoted to the candidate. ²⁰ Consequently, the Commission
- concluded that the state party committee and the principal campaign committee of the
- clearly identified federal candidate could each pay 50 percent of the costs of the mailing
- 15 "so long as the space devoted to the candidate in the mailing [did] not exceed the space in
- the mailing devoted to the generically referenced candidates."21

See Advisory Opinion 2006-11 (Washington Democratic State Central Committee) at 4.

Advisory Opinion 2006-11 (Washington Democratic State Central Committee) at 4.

¹⁹ *Id.* at 2-3, 4.

²⁰ *Id.* at 3, 4.

²¹ *Id.* at 2.

- 1 Here, Requestors seek to evenly split the cost of broadcast advertisements that
- 2 will "equally promote" on a time/space basis "Senator Rosen's candidacy for the U.S.
- 3 Senate (either through advocacy for her or against her opponent) and generic candidates
- 4 of the Democratic party (either through advocacy for generic Democratic candidates or
- 5 against generic Republican candidates)."22 The Commission concludes that the
- 6 framework utilized in Advisory Opinion 2006-11 (Washington Democratic State Central
- 7 Committee) provides an appropriate way to allocate the costs as proposed, given
- 8 Requestors' assurance that the time/space balance in their proposed television
- 9 advertisements will be equally divided between the clearly identified federal candidate
- 10 (Senator Rosen) and the generically referenced candidates.
- With respect to proposed Advertisement (A), do portions of the hybrid
- 12 advertisement that feature the clearly identified candidate direct to camera and/or are
- 13 narrated by the candidate need to be allocated as candidacy advocacy?
- Portions of the hybrid advertisement that feature Senator Rosen speaking directly
- 15 to the camera should be allocated as candidacy advocacy. However, portions of the
- 16 hybrid advertisement being narrated by Senator Rosen do not—by virtue of the narration
- alone—need to be allocated as candidacy advocacy.
- As Requestors acknowledge in their request.²³ under the Commission's analysis
- in Advisory Opinion 2006-11 (Washington Democratic State Central Committee),
- discussed in greater detail above, the "[a]dvocacy related to the election of the clearly

²² AOR004.

AOR005 ("[M]ust both of these portions of advertisement [A] be treated as candidate advocacy? Requestors assume the answer to this question is yes.").

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1 identified candidate is the most salient feature" of that portion of the advertising. 24 In

2 Respondents' proposed Advertisement (A), virtually the entire advertisement is either

3 narrated by or directly featuring the clearly identified candidate, Senator Rosen.

In the context of hybrid mass mailings, the Commission found that "[w]here the

5 space in the mailing devoted to the clearly identified Federal candidate exceeds the space

devoted to the generically referenced party candidates it is appropriate to apply

analogous 'space or time' principles set out in 11 CFR § 106.1(a)."25 Similarly, the

Commission finds this method appropriate to apply in the instant matter. In proposed

9 Advertisement (A), the benefit reasonably expected to be derived from portions that

10 feature Senator Rosen speaking directly to the camera is almost completely attributable to

Senator Rosen. By contrast, the mere use of Senator Rosen's voice to narrate text—

paired with visuals that do not include Senator Rosen or her opponent—does not clearly

provide a benefit to Senator Rosen. Thus, those portions of the hybrid advertising

featuring Senator Rosen speaking directly to camera should be allocable as candidate

15 advocacy.

With respect to proposed Advertisement (B), is the phrase "greedy"

17 politicians" and the visual of pharmaceutical executives in suits sufficient to serve as the

audio and visual references to generic candidates of the Republican Party, and, thus,

allocable as party advocacy?

See Advisory Opinion 2006-11 (Washington Democratic State Central Committee) at 4.

²⁵ *Id*.

1 No, the phrase "greedy politicians" and the visual of pharmaceutical executives in 2 suits are not sufficient to serve as the audio and visual references to generic candidates of 3 a political party and, therefore, cannot be allocable as party advocacy. 4 Neither the Act nor Commission regulations define a "generic candidate" of a 5 political party. As mentioned above, one relevant Commission regulation to address 6 hybrid communications explicitly is the phone bank regulation at 11 C.F.R. § 106.8, 7 which allows an allocation when there is a reference to a clearly identified candidate 8 along with "another reference that generically refers to other candidates of the Federal 9 candidate's party without clearly identifying them," the so-called "generic party reference."²⁶ The rule "reflect[s] that such communications benefit both the candidate 10 11 and the party."²⁷ 12 The regulation does not define generic party reference, but the rulemaking's E & J 13 states that "[g]eneric references to 'our great Republican team' or 'our great Democratic ticket' would satisfy the [generic reference] requirement."28 But, as noted above the 14

E & J cabined the regulation's scope to phone banks "because each type of

communication presents different issues that need to be considered in further detail

before establishing new rules."29

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This regulation provides that a flat 50% allocation is appropriate regardless of the space or time devoted to the clearly identified Federal candidate. 11 C.F.R. § 106.8.

Party Committee Telephone Banks, 68 Fed. Reg. at 64517.

Id. at 64518. In a later, now-dormant rulemaking, the Commission proposed amending 11 C.F.R. § 106.8 to apply to all public communications as defined in 11 C.F.R. § 100.26, and, among other things, define "generic party reference" in a public communication. *See* Hybrid Communications, 72 Fed. Reg. 26569, 26571 (May 10, 2007).

²⁹ Party Committee Telephone Banks, 68 Fed. Reg. at 64518.

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1 Then, as discussed previously, in Advisory Opinion 2006-11 (Washington 2 Democratic State Central Committee), the Commission extended the hybrid-3 communication allocation rules to mass mailings. There, the Commission noted, via 4 example, that "[v]ote for John Doe and our great Democratic team" — a reference similar 5 to the examples given in the phone bank E & J — would qualify as a communication that 6 advocates the election of a clearly identified Federal candidate and other candidates of 7 the Democratic Party who are referred to only generically. 30 At the same time, the 8 Commission has never stated that the generic party reference must use the specific or 9 official names of the political party being advocated for or against in the advertisement. 10 A hybrid advertisement may make a generic party reference through other words, images, 11 or means, such as referring generally to candidates that share the political party's 12 ideology, displaying an array of party leaders who are not on the ballot in the relevant 13 jurisdiction, or using a party's historical nickname. Here, however, the audio phrase "greedy politicians" and visual of pharmaceutical 14 15 executives do not amount to generic references to any political party. Allocation between 16 a candidate and their party has been permitted previously because the communication's message is reasonably expected to bestow a benefit to the party as a whole in addition to 17

not a placeholder for candidates of any particular political party. Nor does the added

the candidate.³¹ The phrase "greedy politicians" refers to all politicians and, therefore, is

See Advisory Opinion 2006-11 (Washington Democratic State Central Committee) at 1 & n.1.

See Party Committee Telephone Banks, 68 Fed. Reg. at 64517 (explaining that the allocation rule for hybrid telephone banks "reflect[s] that such communications benefit both the candidate and the party"); see also 11 C.F.R. § 106.1(a)(1) (allowing allocation of expenditures between candidates "according to the benefit reasonably expected to be derived").

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1 visual of pharmaceutical executives convey a message that is associated with or a

- 2 reference to one political party or its candidates generally. Therefore, because the
- 3 proposed audio and visual components in Advertisement (B) do not make clear that they
- 4 are referring generically to candidates of any particular party, they cannot be allocable as
- 5 party advocacy.
- 6 4. With respect to Advertisement (C), can audio or visual references to Donald
- 7 Trump qualify as a reference to generic candidates of the Republican Party, allocable as
- 8 party advocacy.
- No, neither the audio nor visual references to Donald Trump as presented in
- 10 Advertisement (C) qualify as references to generic candidates of the Republican Party
- and, thus, are not allocable as party advocacy.
- The Commission previously considered a similar question in a series of related
- 13 Matters under Review ("MUR") from the 2016 election cycle. In those MURs, the
- 14 Foundation for Accountability and Civic Trust had filed complaints against, as relevant
- 15 here, the Democratic Congressional Campaign Committee ("DCCC") and the campaigns
- 16 committees of 14 Democrat congressional candidates.³² The MURs involved 15
- television advertisements that referenced one of the 14 Democrat candidates, the
- 18 Democrat candidate's Republican opponent, and then-Republican-presidential candidate
- 19 Donald Trump.³³ The complaints alleged that the respondents violated the Act by

See, e.g., Factual & Legal Analysis Cover Letter, MUR 7169 (Santasiero for Congress) (Nov. 22, 2017), https://www.fec.gov/files/legal/murs/7169/17044432788.pdf.

See, e.g., Factual & Legal Analysis at 2, MUR 7169 (Santasiero for Congress) (Nov. 22, 2017), https://www.fec.gov/files/legal/murs/7169/17044432804.pdf.

1 improperly treating the advertisements as hybrid television advertisements and allocating

2 costs between DCCC and the relevant Democrat congressional candidate.³⁴ In finding no

3 reason to believe that the respondents violated the Act, the Commission explained that,

4 although the advertisements did not qualify as hybrid television advertisements because

"there [we]re no generic references, such as 'Democrats' or 'Republicans,' in any of the

6 15 ads at issue," the respondents nevertheless could allocate the expenses under 11

7 C.F.R. § 106.1(a), 35 which allows allocation for expenditures made on behalf of more

8 than one clearly identified federal candidate.

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In keeping with the Commission's conclusion in these MURs, the Commission hereby concludes that Advertisement (C)'s reference to Donald Trump does not constitute a generic party reference. Like in the relevant MURs, Donald Trump is a current candidate for federal office in the 2024 cycle and will be on the ballot in the jurisdiction where the advertisements are run, suggesting that the benefit of such a reference is reasonably expected to accrue to the Democratic presidential candidate, not to the party as a whole. No other audio or visual elements related to the reference to Donald Trump can be reasonably interpreted as referring to Republican candidates generally. Therefore, in Requestors' proposed Advertisement (C), audio and visual references to Donald Trump do not qualify as generic party references and, for that reason, cannot be allocated as party advocacy.

See, e.g., Complaint at 1-4, MUR 7169 (Santasiero for Congress) (Oct. 24, 2016), https://www.fec.gov/files/legal/murs/7169/17044432655.pdf; Factual & Legal Analysis, MUR 7169 at 4 n.8 (Nov. 22, 2017), https://www.fec.gov/files/legal/murs/7169/17044432804.pdf.

See, e.g., Factual & Legal Analysis at 4 n.8, 9-10, MUR 7169 (Santasiero for Congress) (Nov. 22, 2017), https://www.fec.gov/files/legal/murs/7169/17044432804.pdf.

1 This response constitutes an advisory opinion concerning the application of the 2 Act and Commission regulations to the specific transaction or activity set forth in your request.³⁶ The Commission emphasizes that, if there is a change in any of the facts or 3 4 assumptions presented, and such facts or assumptions are material to a conclusion 5 presented in this advisory opinion, then the requestor may not rely on that conclusion as 6 support for its proposed activity. Any person involved in any specific transaction or 7 activity which is indistinguishable in all its material aspects from the transaction or 8 activity with respect to which this advisory opinion is rendered may rely on this advisory 9 opinion.³⁷ Please note that the analysis or conclusions in this advisory opinion may be 10 affected by subsequent developments in the law including, but not limited to, statutes, 11 regulations, advisory opinions, and case law. Any advisory opinions cited herein are 12 available on the Commission's website. 13 On behalf of the Commission, 14 15 Sean J. Cooksey, 16 Chairman 17 18 19 20

³⁶ See 52 U.S.C. § 30108.

³⁷ See id. § 30108(c)(1)(B).