



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

FEB 24 2017

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

James Lucas

Cheyenne, Wyoming 82001

Dear Mr. Lucas:

This is in reference to the complaint you filed with the Federal Election Commission on November 10, 2008, concerning Larry E. Craig and Craig for U.S. Senate ("Committee").

After conducting an investigation, the Commission found probable cause to believe that Craig and the Committee violated 52 U.S.C. § 30114(b) (formerly 2 U.S.C. § 439a(b)), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). The Commission was unable to settle the matter through a conciliation agreement and, therefore, authorized the filing of a civil suit in the United States District Court for the District of Columbia.

The district court granted the Commission's motion for summary judgment, finding that Craig and the Committee ("defendants") violated the Act when they used campaign funds to pay legal expenses that Craig incurred for personal criminal conduct, unrelated to his duties as a federal officeholder. The court concluded that the defendants converted \$197,535 in campaign funds to personal use. The court ordered Craig to disgorge \$197,535 to the U.S. Treasury and to pay a \$45,000 civil penalty. The defendants appealed the district court's decision.

On March 4, 2016, the United States Court of Appeals for the District of Columbia Circuit agreed with the Commission that the criminal allegations that gave rise to Craig's guilty plea did not concern the Senator's official duties. Therefore, the funds expended by the Craig Committee to defend against the charges were personal use. The court further concluded that the district court did not abuse its discretion in ordering Craig to disgorge \$197,935 to the U.S. Treasury, nor in ordering a civil penalty of \$45,000. Subsequently, Mr. Craig disgorged the funds and paid the civil penalty. Enclosed is a copy of the district court's order.

The Commission's consideration of this matter was concluded on February 21, 2017, and the file is now closed. Enforcement documents related to the case will be placed on the public record within 30 days. See Statement of Policy, Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016).

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James Lucas  
MUR 6128  
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If you have any questions, please contact me at (202) 694-1548.

Sincerely,

A handwritten signature in cursive script that reads "Elena Paoli". The signature is fluid and elegant, with a large initial 'E' and a long, sweeping tail on the 'i'.

Elena Paoli  
Attorney

Enclosure

1700111444071

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

FEDERAL ELECTION COMMISSION,

Plaintiff,

v.

CRAIG FOR U.S. SENATE, et al.,

Defendants.

Civil Action No. 12-0958 (ABJ)

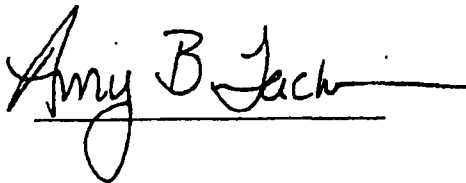
**ORDER**

Pursuant to Federal Rules of Civil Procedure 56 and 58, and for the reasons stated in the accompanying Memorandum Opinion, it is **ORDERED** that the motion for summary judgment of plaintiff Federal Election Commission [Dkt. # 16] is **GRANTED**. And it is

**DECLARED** that defendants Craig for U.S. Senate, Larry E. Craig, and Larry E. Craig in his capacity as treasurer of Craig for U.S. Senate, violated 52 U.S.C. § 30114(b) by converting campaign funds from Craig for U.S. Senate to the personal use of Larry E. Craig. And it is

**FURTHER ORDERED** that defendant Larry E. Craig shall pay \$242,535 to the United States Department of the Treasury, which consists of a disgorgement of the \$197,535 unlawfully converted and a civil penalty of \$45,000.

**SO ORDERED.**



AMY BERMAN JACKSON  
United States District Judge

DATE: September 30, 2014

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