



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**APR 13 2012**

The Honorable John Burris  
House Leadership Political Action Committee  
PO Box 2458  
Little Rock, AR 72203

RE: MUR 6489  
Arkansas House Leadership PAC

Dear Mr. Burris:

On August 18, 2011, the Federal Election Commission notified you and the House Leadership Political Action Committee of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. On April 10, 2012, the Commission found, on the basis of the information in the complaint and information provided by you, that there is no reason to believe the Arkansas House Leadership PAC violated 2 U.S.C. § 441h(b). Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009). The Factual and Legal Analysis, which explains the Commission's finding, is enclosed for your information.

If you have any questions please contact Joshua Smith, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Roy Q. Lockett  
Assistant General Counsel

Enclosure:  
Factual and Legal Analysis

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**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**Respondent: Arkansas House Leadership PAC**

**MUR 6489**

**I. INTRODUCTION**

This matter was generated by a complaint filed with the Federal Election Commission by Steve Womack for Congress and Mike Eldredge, in his official capacity as treasurer ("the Committee"), alleging violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the Arkansas House Leadership PAC ("AHL PAC").<sup>1</sup>

**II. FACTUAL AND LEGAL ANALYSIS**

**A. Background**

Steve Womack is a U.S. Congressman representing Arkansas's Third Congressional District. On June 28, 2011, AHL PAC held a fundraiser to benefit AHL PAC at the home of two supporters. Prior to the fundraiser, AHL PAC distributed an invitation stating that "You are cordially invited to a reception benefitting the House Leadership PAC." See Attachment 1 (Fundraiser Invitation). The invitation identifies Representative Womack and Mark Darr, Arkansas Lieutenant Governor, as "Honorary Co-Hosts."

The invitation also contains information about the timing of the event, requests an RSVP via email, and states that checks should be made payable to AHL PAC. The bottom portion of the invitation is a tear-off card to RSVP to the event. The recipient has two options on the tear-off portion: 1) "YES! I/WE WILL ATTEND THE RECEPTION AT THE FOLLOWING LEVEL: \$50 A COUPLE (2 TICKETS) or \$25 INDIVIDUAL, and 2) I AM UNABLE TO ATTEND,

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<sup>1</sup> According to Arkansas state disclosure filings, AHL PAC, which was formerly called the Arkansas Conservative Legislative PAC, was founded by four Arkansas state representatives.

BUT WOULD LIKE TO MAKE A CONTRIBUTION IN THE AMOUNT OF \$\_\_\_\_\_." The tear-off portion also gives space for the recipient's name, address, phone, e-mail, occupation and employer. The bottom of the flyer states, "PAID FOR BY HOUSE LEADERSHIP PAC, P.O. BOX 2459, LITTLE ROCK, AR, 72203." Finally, the invitation lists several corporations that sponsored the event.

The Committee asserts in its complaint that the use of Representative Womack's name as a "co-host" in the invitation was "unapproved." According to the Committee, AHL PAC simply asked Representative Womack to give a "greeting from Washington," and neither Representative Womack nor his staff discussed the contents of the invitation with AHL PAC. The Committee maintains that other than Representative Womack's scheduler, the Committee did not have any communication with the fundraiser planners or AHL PAC before the event. The Committee also states that while he spoke at the fundraiser, neither Representative Womack nor his agents or staff members agreed to raise funds in conjunction with the fundraiser, nor did they solicit any funds at the event. The Committee further asserts that it was not involved in the distribution of the invitation and learned of the invitation nearly two weeks after the fundraiser. Finally, the Committee avers that it asked AHL PAC to refund the money raised at the event, which AHL PAC agreed to do.

In its response, AHL PAC generally confirms the Committee's statement of facts. AHL PAC maintains that it invited Representative Womack to serve as a "guest speaker," but the fundraiser invitation inaccurately identified Representative Womack as a host. AHL PAC also states that while corporate contributions were raised at the event, AHL PAC voluntarily refunded these contributions even though no state ethics laws were violated.

Under Arkansas state law, both individuals and corporations are permitted to contribute up to \$5,000 per calendar year to political committees. See ARK. CODE ANN. § 7-6-201 (2011). In campaign finance reports filed with the Arkansas Secretary of State, AHL PAC disclosed receiving \$5,000 in corporate contributions on June 28, 2011, the day of the fundraiser, and reported refunding the same contributions on July 26, 2011 (along with a previously unreported \$500 contribution). However, at least one press account quotes AHL PAC as stating that it raised about \$20,000 in corporate contributions at the fundraiser. See John Lyon, *After fundraiser questioned, GOP group to return corporate donations*, ARKANSAS NEWS (July 21, 2011). In its response, AHL PAC does not address how much it accepted in corporate contributions. Nevertheless, the discrepancy apparently exists because AHL PAC physically accepted only \$5,500 in corporate contributions, with the remaining amount reportedly pledged but never received. See Attachment 2 (Letter from AHL PAC to Arkansas Secretary of State). In its letter, AHL PAC asserted that it refunded all corporate contributions received at the fundraiser and cancelled any corporate sponsorships still being processed. *Id.*<sup>2</sup>

#### **B. Analysis**

The complaint in this matter alleges that the use of Representative Womack's name in the fundraiser invitations was "unapproved," suggesting that AHL PAC may have violated 2 U.S.C. § 441h(b). Section 441h(b) prohibits all persons from fraudulently misrepresenting themselves as speaking, writing, or otherwise acting for or on behalf of any candidate or candidate's agent for the purpose of soliciting contributions. 2 U.S.C. § 441h(b)(1). Based on the available information, AHL PAC does not appear to have violated 2 U.S.C. § 441h(b). The identification

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<sup>2</sup> See also Sarah D. Wire, *FEC rules spur return of \$5,500 by GOP PAC*, ARKANSAS DEMOCRAT-GAZETTE (October 13, 2011) (AHL PAC "asked companies who had pledged money at the fundraiser not to write the committee a check.").

of Representative Womack as a co-host appears to have been a mistake rather than a fraudulent scheme to raise donations; both AHPAC and the Committee state that Representative Womack agreed to speak at the fundraiser, and AHPAC asserts that it simply failed to identify him correctly in the invitations. Therefore, the Commission has determined to find no reason to believe that the Arkansas House Leadership PAC violated 2 U.S.C. § 441h(b) and close the file in this matter.

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