

RECEIVED  
FEDERAL ELECTION  
COMMISSION

2013 NOV -6 AM 2:50

CELA



## FEDERAL ELECTION COMMISSION

Washington, D.C. 20463

1 TO: The Commission

2 FROM: Lisa J. Stevenson

3 Deputy General Counsel for Law

4 Daniel A. Petalas *DAP*

5 Associate General Counsel for Enforcement

6 Peter G. Blumberg *PGB*

7 Assistant General Counsel

8 Leonard O. Evans III *LOE*

9 Attorney, Enforcement Division

10 SUBJECT: MUR 6655 (Justin Lamar Sternad, *et al.*)

11 Pre-Probable Cause Conciliation [REDACTED]

12

13 This matter concerns a scheme to fund a Congressional candidate's primary election

14 campaign almost exclusively with contributions secretly funneled to him by his would-be general

15 election opponent. Since the Commission's reason-to-believe finding in September 2013, there

16 have been two developments. First, we have concluded pre-probable cause conciliation

17 discussions and attach a proposed Conciliation Agreement executed by the candidate, Justin

18 Lamar Sternad, and his campaign committee. [REDACTED]

19 [REDACTED] We recommend that the Commission accept the Agreement.

20

21

22

23

24

25

26

1

2

## 1     **A.     Background**

2           In 2012, Justin Lamar Sternad ran in the Democratic primary to represent Florida's 26th  
 3 district in the U.S. House of Representatives. Had he won, Sternad would have faced then-  
 4 incumbent Congressman David Rivera in the general election. To pay for the campaign, Sternad  
 5 received ten contributions — mostly in cash and totaling \$81,486.20 — that he concealed by  
 6 falsely reporting to the Commission that he was funding his campaign with personal loans. The  
 7 available information reflects that the contributions in fact were made by two co-conspirators:  
 8 Rivera and Alliegro, who is a longtime Rivera confidante.

9           On September 10, 2013, the Commission found reason to believe that Justin Lamar  
 10 Sternad, the Sternad Committee, Rivera, and Alliegro knowingly and willfully violated various  
 11 provisions of the Act and Commission regulations — in particular, contributions in the name of  
 12 another (2 U.S.C. § 441f), excessive individual contributions (2 U.S.C. §§ 441a(a)(1)(A) and  
 13 441a(f)), excessive currency contributions (2 U.S.C. § 441g and 11 C.F.R. § 110.4(c)(2)), and  
 14 disclosure violations (2 U.S.C. § 434(b)).<sup>3</sup> To expedite resolution of Sternad's and the Sternad  
 15 Committee's involvement in this matter, the Commission authorized the Office of General  
 16 Counsel to engage in pre-probable cause conciliation and approved a proposed conciliation  
 17 agreement [REDACTED]

18 [REDACTED] The Commission also authorized an  
 19 investigation concerning the involvement of Rivera and Alliegro in the scheme.<sup>5</sup>

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

26 [REDACTED]

---

<sup>3</sup> See Certification, MUR 6655 (Justin Lamar Sternad, *et al.*) (Sept. 11, 2013).

<sup>4</sup> [REDACTED]

<sup>5</sup> See Cert., MUR 6655.

<sup>6</sup> [REDACTED]

<sup>7</sup> [REDACTED]

MUR 6655 (Justin Lamar Sternad, *et al.*)

Memorandum to the Commission

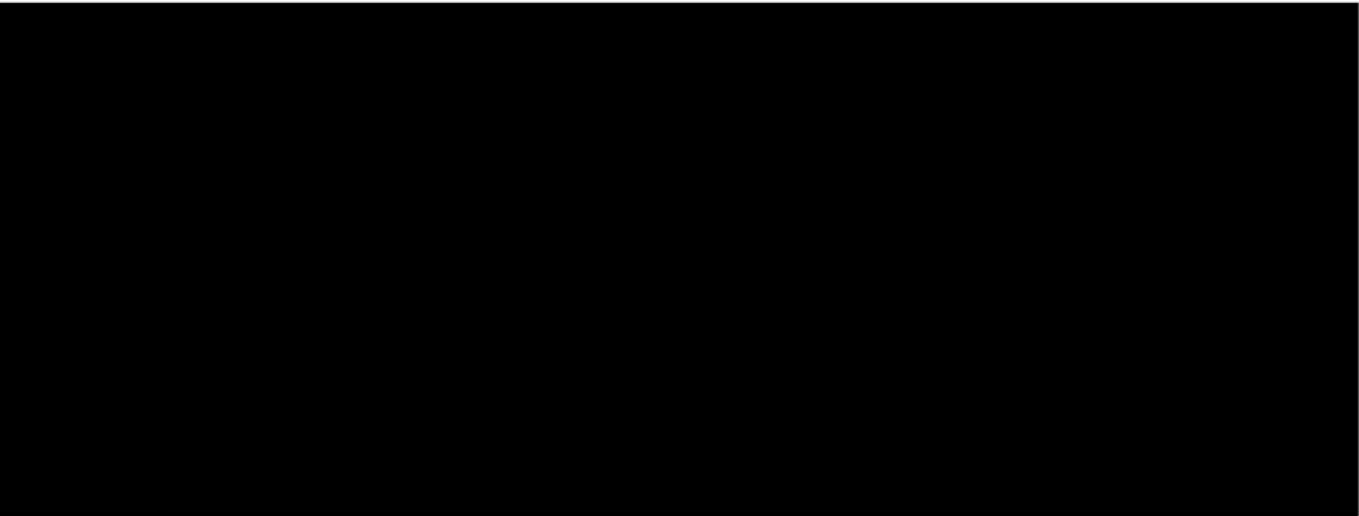
Page 3 of 4

1  
2  
3  
4  
5  
6  
7  
  
8  
9  
10  
  
11  
12  
  
13  
14  
15  
16  
17  
18  
19  
  
20  
21  
22  
23  
24



MUR 6655 (Justin Lamar Sternad, *et al.*)  
Memorandum to the Commission  
Page 4 of 4

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21



**RECOMMENDATIONS:**

1. Accept the attached Conciliation Agreement executed by Justin Lamar Sternad and Lamar Sternad for Congress and Justin Lamar Sternad in his official capacity as treasurer;
2. Approve the appropriate letter; and
3. 