



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 2020

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
AND VIA E-MAIL

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Marc E. Elias
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RE: MUR 7011
HC4President and Socially Responsible Government

Dear Messrs Elias and Reese:

This is in reference to the complaint you filed with the Federal Election Commission (the “Commission”) on February 12, 2016, against HC4President and Socially Responsible Government. Based on your complaint and a separate complaint filed in MUR 7092, the Commission found that there was reason to believe that HC4President and Kyle Prall in his official capacity as treasurer (“HC4President”) violated 52 U.S.C. § 30124(b)(1), that Kyle Prall in his personal capacity violated 52 U.S.C. § 30124(b)(2), and that Socially Responsible Government and Grace Rogers in her official capacity as treasurer (“Socially Responsible Government”) violated 52 U.S.C. § 30124(b)(1), provisions of the Federal Election Campaign Act of 1971, as amended, by fraudulently soliciting contributions and instituted an investigation. The Commission also found no reason to believe that Kyle Prall; Joseph Centrich; Johan Garcia; DMF Marketing Solutions, LLC; LCGM, LLC; NHT Productions, LLC; and Upwork Global Inc. violated 52 U.S.C. § 30114(b)(1).

An investigation was conducted in this matter and the Commission, on June 25, 2020, voted to take no further action against HC4President, Socially Responsible Government, and Kyle Prall, and closed the file. At the same time, the Commission admonished HC4President, Socially Responsible Government, and Kyle Prall for violations of 52 U.S.C. § 30124. Mr. Prall has pleaded guilty in federal court to criminal violations involving the same activity as the subject of this matter. The Commission also instructed the Reports Analysis Division to administratively terminate HC4President and Socially Responsible Government.

The Factual and Legal Analyses, which more fully explain the Commission’s reason to believe findings are enclosed for your information. Documents related to the case will be placed on

Marc E. Elias
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the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8).

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

Sincerely,

Mark Shonkwiler by APW

Mark Shonkwiler
Assistant General Counsel

Enclosures
Factual and Legal Analyses

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Socially Responsible Government MURs 7011/7092
(f/k/a Feel B.E.R.N.) and Grace Rogers
in her official capacity as treasurer

I. INTRODUCTION

These matters were generated by two complaints filed with the Federal Election Commission (the “Commission”) pursuant to 52 U.S.C. § 30109(a)(1). Complainants allege, among other things, that an unauthorized political committee, Socially Responsible Government and Grace Rogers in her official capacity as treasurer (“SRG” or the “Committee”), violated 52 U.S.C. § 30124(b) of the Federal Election Campaign Act of 1971, as amended (the “Act”) by fraudulently misrepresenting that it acted for, or on behalf of, federal candidate Bernie Sanders for the purpose of soliciting contributions through its website, www.feelbern.org. SRG denies the allegations. It contends that because SRG complied with the relevant registration, reporting, and disclaimer requirements under the Act, it took the proper measures to inform the public that SRG was an unauthorized committee.

SRG’s website misrepresented that SRG and FeelBern.org were part of Sanders’s official campaign, Bernie 2016, Inc. (“Bernie 2016”) by claiming it was the “Committee to Elect Bernie Sanders,” and asking visitors to donate to “support Bernie Sanders’ campaign.” The record also indicates that SRG’s misrepresentations were made with an intent to deceive. Therefore, the Commission finds reason to believe that Socially Responsible Government and Grace Rogers, in her official capacity as treasurer violated 52 U.S.C. § 30124(b).

1 **II. FACTUAL AND LEGAL ANALYSIS**

2 **A. Fraudulent Misrepresentation**

3 1. Legal Standard

4 The Act provides that no person shall fraudulently misrepresent themselves as speaking,
5 writing, or otherwise acting for, or on behalf of, any candidate or agent thereof for the purpose of
6 soliciting contributions or donations.¹ Further, the Act provides that no person shall willfully
7 and knowingly participate in or conspire to participate in any plan or scheme to engage in such
8 behavior.² Although the Act requires that the violator have the intent to deceive, it does not
9 require proof of the common law fraud elements of justifiable reliance and damages.³ “Even
10 absent an express misrepresentation, a representation is fraudulent if it was reasonably calculated
11 to deceive persons of ordinary prudence and comprehension.”⁴

1 52 U.S.C. § 30124(b)(1); *see also* 11 C.F.R. § 110.16(b)(1).

2 52 U.S.C. § 30124(b)(2); *see also* 11 C.F.R. § 110.16(b)(2).

3 *See FEC v. Novacek*, 739 F. Supp. 2d 957, 961 (N.D. Tex. 2010) (finding that defendants knowingly and willfully violated 2 U.S.C. § 441h(b) (now 52 U.S.C. § 30124(b)); Disclaimers, Fraudulent Solicitation, Civil Penalties, and Personal Use of Campaign Funds, 67 Fed. Reg. 76,962, 76,969 (Dec. 13, 2002) (“Explanation and Justification”) (citing *Neder v. United States*, 527 U.S. 1, 24-25 (1999)) (distinguishing fraud in federal campaign finance abuses from common law tort action on the basis of Congress intending to penalize schemes as well as actions taken to defraud and the damaging effect of misrepresentation); Factual and Legal Analysis at 4, MUR 5472 (Jody Novacek).

4 *Novacek*, 739 F. Supp. 2d at 961.

1 2. There is Reason to Believe that SRG Fraudulently Misrepresented Itself as
 2 Acting for or on Behalf of Bernie Sanders for the Purpose of Soliciting
 3 Contributions

4
 5 a. *Factual Background*

6 SRG is an unauthorized political committee supporting Bernie Sanders, who was also a
 7 candidate for President in 2016. When SRG first registered with the Commission in December
 8 2015, it registered under the name “FEEL B.E.R.N.”⁵ After the Commission’s Reports Analysis
 9 Division (“RAD”) instructed the committee to change its name so that it did not include the
 10 name of a federal candidate,⁶ FEEL B.E.R.N. changed its name to SRG on March 7, 2016.⁷

11 SRG operated a website at the URL⁸ www.feelbern.org, which is no longer available.⁹
 12 The title of SRG’s website — as displayed in the browser tab — was “Feelbern – Change We
 13 Need.” On the “About Us” page of the website, SRG described itself as “[f]irst and foremost, []

5 Statement of Organization, FEEL B.E.R.N. (Dec. 28, 2015).

6 Request for Add’l. Info. at 1, Feel B.E.R.N. (Jan. 31, 2016) (“Feel B.E.R.N. RFAI”).

7 Statement of Organization (amended), SRG (Mar. 7, 2016).

8 “URL” stands for uniform resource locator, which is commonly referred to as a web address. The URL provides a means to access a specific web resource on a computer network, *e.g.*, a website on the Internet. In SRG’s web address, the segment “www.feelbern.org” is specifically referred to as the hostname, which is a label that can be used to identify the IP address of the website.

9 Screenshots from this site were attached to the Complaints filed for both MURs 7011 and 7092.

1 a group of big Bernie Sanders fans” whose “ultimate goal is to make a meaningful positive
2 impact on Bernie Sanders’ [sic] campaign for President.”¹⁰ This language on the feelbern.org
3 website was nearly identical to the language on another similarly designed website,
4 www.hc4president.org.¹¹

5 The website’s header and pages featured the following logo indicating SRG as the
6 “Committee to Elect Bernie Sanders”:



7
8 SRG’s website also featured content from Sanders’s official campaign, including a five-
9 minute video entitled “Progress,” embedded in the “About Us” page that displayed the official
10 Bernie 2016 logo, the Bernie 2016 website URL, and a disclaimer indicating that it was “Paid for
11 by Bernie 2016.”¹² When users clicked certain links from a drop-down menu on SRG’s
12 homepage, they were taken directly to pages of Bernie Sanders’ campaign website.

13 SRG solicited contributions throughout the various pages on its website to purportedly
14 support Sanders’s election. Two “Donate Now” buttons appeared on the homepage along with

¹⁰ MUR 7011 Compl., Attach. E (including “About Us” page from the feelbern.org site). SRG states that it will accomplish this goal by “rais[ing] awareness of Sanders’ [sic] stance on the issues,” through get-out-the-vote activities, and by “donat[ing] directly to other volunteer groups that support Bernie in battleground areas.” *Id.*

¹¹ *See id.*, Attach. B. The Complaint in MUR 7011 also discussed the website for another committee, HC4President (“HC4P”).

¹² The embedded video originally appeared on Sanders’s official YouTube Channel and features a disclaimer that it was “Paid for by Bernie 2016.” Bernie 2016, *Progress*, YOUTUBE (July 25, 2015), https://www.youtube.com/watch?v=qyee_sxJpXc.

1 the statement “Stand with Bernie and Donate to our Campaign.” The website informed viewers
2 that it would use contributions for “training volunteers to knock on doors, make phone calls and
3 spread the word about Bernie’s movement” and to pay for get-out-the-vote activities.¹³ In
4 addition, the website indicated that its fundraising would go to a “three pronged media blitz” that
5 would consist of: (1) online media advertising because “it is absolutely essential that the Bernie
6 Sanders campaign reach” young people; (2) tv and radio advertising “to target battleground
7 states where Bernie Sanders has limited exposure”; and (3) word-of mouth, such as grassroots
8 voter drives, where “funds raised [would] be used to pay for informational pamphlets, buttons,
9 bumper stickers, t-shirts, and other campaign swag.”¹⁴ Further, the e-mail that the contributor
10 discussed in the Complaint filed for MUR 7011 received in response to her contribution to HC4P
11 was signed by “Team Bern” and stated that the contribution would go to the “campaign to elect
12 Bernie Sanders.”¹⁵

13 Before changing its name to SRG, the website contained the following disclaimer at the

¹³ MUR 7092 Compl., App. B.

¹⁴ *Id.* at App. E.

¹⁵ MUR 7011 Compl., Attach. D.

1 bottom of each page:

2 Paid for by Feel the Bern Committee (www.feelbern.org) and not
3 authorized by any candidate or candidate's committee –
4 feelbern.org© 2015 All Rights Reserved.¹⁶

5 In a supplement, the Complainant in MUR 7092 submitted a copy of a cease-and-desist
6 letter that Bernie 2016 sent to the FEELBERN.ORG.¹⁷ The letter stated that SRG's website
7 "without authorization, uses close variations of the official trademarks and logos of Bernie 2016,
8 embeds content copied from the Bernie 2016 official website . . . and mimics look-and-feel
9 aspects from the Bernie 2016 website." The letter states that the website "creates supporter
10 confusion" and was intercepting donations that were intended for the official campaign.¹⁸
11 Attached to the letter are numerous pages from SRG's site, including an e-mail subscription page
12 that uses the official Bernie 2016 campaign logo.¹⁹

¹⁶ MUR 7011 Compl. at Attach. E; MUR 7092 Suppl. Compl. (July 15, 2016). Once SRG changed its name from Feel B.E.R.N. to SRG, it also changed the disclaimer to read the following:

Paid for by the Socially Responsible Government (formerly the Feel the Bern Committee) (www.feelbern.org) and not authorized by any candidate or candidate's committee. – feelbern.org© 2015 All Rights Reserved. This private political organization is not to be confused with Bernie Sander's [sic] Official campaign. FEELBERN.ORG, www.feelbern.org.

It is unclear when SRG changed its disclaimer and how long it contained the last line concerning Sanders's official campaign.

¹⁷ MUR 7092 Suppl. Compl.

¹⁸ MUR 7092 Compl.

¹⁹ MUR 7092 Suppl. Compl.

1 *b. Legal Analysis*

2 Based on the information in the record, SRG appears to have fraudulently misrepresented
3 that it was acting for, or on behalf of, Sanders’s official campaign for the purpose of soliciting
4 contributions.

5 SRG identifies itself as the “Committee to Elect Bernie Sanders”.²⁰ In addition, donation
6 banners on the home page ask visitors to “Stand with Bernie and Donate to *our* Campaign,”
7 creating the impression that SRG is acting on behalf of the Sanders campaign and that
8 contributions to SRG would directly benefit Sanders.²¹

9 SRG argues that it did not violate the Act because it properly registered with the
10 Commission as an unauthorized political committee and has filed all required disclosure reports
11 to date. The mere presence of disclaimers is not dispositive here, where the official Bernie
12 Sanders campaign logo “Bernie 2016” appears on a page soliciting subscribers and SRG
13 identifies itself as the “Committee to Elect Bernie Sanders” below its logo. A donation banner
14 ask visitors to “Stand with Bernie and Donate to *our* Campaign,” and the home page displays the
15 message “Donate today to support Bernie Sanders’ campaign,” indicating that the SRG website
16 spoke on behalf of the Sanders campaign and that contributions to SRG would directly benefit
17 Sanders. Finally, the complaint attached a contribution thank you letter from www.feelbern.org,
18 signed by “Team Bern,” and stated that the contribution would go to the “campaign to elect

²⁰ *Supra* at 4.

²¹ Its use of the collective “our Campaign” is very similar to references to “our Party” found to be fraudulent in MUR 5472 (Republican Victory 2004 Committee). Certification, MUR 5472 (Oct. 21, 2008); *see* Gen. Counsel’s Brief at 8, 18, MUR 5472 (June 19, 2007) (“I’m grateful *our Party* can count on your help to support Republicans across the country win elections” and “The Republican Party can count on my support to help candidates at the state and local level. I’m proud to help *our Party* prepare for the November elections.”) (emphasis in original).

1 Bernie Sanders.”²² Thus, despite the presence of a disclaimer, there is a sufficient basis to find
2 that SRG misrepresented itself as acting on behalf of Bernie Sanders with an intent to deceive.

3 Because SRG’s website fraudulently misrepresents SRG as acting on behalf of Sanders,
4 the Commission finds reason to believe that SRG violated 52 U.S.C. § 30124(b)(1).

²²

MUR 7011 Compl., Attach. D.

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: HC4President and Kyle Prall MURs 7011/7092
in his official capacity as treasurer
Kyle Prall

I. INTRODUCTION

These matters were generated by two complaints filed with the Federal Election Commission (“Commission”). *See* 52 U.S.C. § 30109(a)(1). Complainants allege, among other things, that an unauthorized political committee, HC4President and Kyle Prall in his official capacity as treasurer (“HC4P” or the “Committee”), violated 52 U.S.C. § 30124(b) of the Federal Election Campaign Act of 1971, as amended (the “Act”) by fraudulently misrepresenting that it acted for, or on behalf of, federal candidate Hillary Clinton for the purpose of soliciting contributions through its website, hc4president.org. HC4P denies the allegations. It contends that because it complied with the relevant registration, reporting, and disclaimer requirements under the Act, it took the proper measures to inform the public that HC4P was an unauthorized committee.

HC4P’s website misrepresented that HC4P was part of Clinton’s campaign or authorized by Clinton, and that contributions made through HC4P’s website would flow directly to Clinton’s campaign. The record also indicates that HC4P’s misrepresentations were made with an intent to deceive. In addition, the facts indicate that the Kyle Prall was responsible for both HC4P’s website and the website of another unauthorized committee, Socially Responsible Government (f/k/a Feel B.E.R.N.) and Grace Rogers in her official capacity as treasurer (“SRG”). Therefore, the Commission finds reason to believe that HC4President and Kyle Prall

1 in his official capacity as treasurer, and Kyle Prall in his personal capacity, violated 52 U.S.C.
2 § 30124(b).

3 In addition, the Complaint in MUR 7092 alleges that Prall, as “PAC CEO,” as well as
4 numerous vendors who received disbursements from SRG, violated the Act by converting
5 committee funds to personal use.¹ Because SRG is not an authorized committee, however, the
6 Commission finds no reason to believe that Kyle Prall violated 52 U.S.C. § 30114(b) and
7 11 C.F.R. § 113.1(g).

8 **II. FACTUAL AND LEGAL ANALYSIS**

9 **A. Fraudulent Misrepresentation**

10 1. Legal Standard

11 The Act provides that no person shall fraudulently misrepresent themselves as speaking,
12 writing, or otherwise acting for, or on behalf of, any candidate or agent thereof for the purpose of
13 soliciting contributions or donations.² Further, the Act provides that no person shall willfully
14 and knowingly participate in or conspire to participate in any plan or scheme to engage in such
15 behavior.³ Although the Act requires that the violator have the intent to deceive, it does not

¹ Compl., MUR 7092 at 5–8 (June 24, 2016) (“MUR 7092 Compl.”).

² 52 U.S.C. § 30124(b)(1); *see also* 11 C.F.R. § 110.16(b)(1).

³ 52 U.S.C. § 30124(b)(2); *see also* 11 C.F.R. § 110.16(b)(2).

1 require proof of the common law fraud elements of justifiable reliance and damages.⁴ “Even
2 absent an express misrepresentation, a representation is fraudulent if it was reasonably calculated
3 to deceive persons of ordinary prudence and comprehension.”⁵

4 2. There is Reason to Believe that HC4P Fraudulently Misrepresented Itself
5 as Acting for or on behalf of Clinton for the Purpose of Soliciting
6 Contributions

7
8 a. *Factual Background*

9 HC4P registered with the Commission in January 2016 as an unauthorized political
10 committee supporting a single candidate, Hillary Clinton, who was a candidate for U.S. President
11 in 2016.⁶ Kyle Prall is its treasurer.⁷

12 HC4P operated a website at the URL⁸ www.hc4president.org, which is no longer

⁴ See *FEC v. Novacek*, 739 F. Supp. 2d 957, 961 (N.D. Tex. 2010) (finding that defendants knowingly and willfully violated 2 U.S.C. § 441h(b) (now 52 U.S.C. § 30124(b)); Disclaimers, Fraudulent Solicitation, Civil Penalties, and Personal Use of Campaign Funds, 67 Fed. Reg. 76,962, 76,969 (Dec. 13, 2002) (“Explanation and Justification”) (citing *Neder v. United States*, 527 U.S. 1, 24-25 (1999)) (distinguishing fraud in federal campaign finance abuses from common law tort action on the basis of Congress intending to penalize schemes as well as actions taken to defraud and the damaging effect of misrepresentation); Factual & Legal Analysis at 4, MUR 5472 (Jody Novacek).

⁵ *Novacek*, 739 F. Supp. 2d at 961.

⁶ Statement of Organization, HC4President (Jan. 19, 2016).

⁷ *Id.*

⁸ “URL” stands for uniform resource locator, which is commonly referred to as a web address. The URL provides a means to access a specific web resource on a computer network, *e.g.*, a website on the Internet. In HC4P’s web address, the segment “www.hc4president.org” is specifically referred to as the hostname, which is a label that can be used to identify the IP address of the website.

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1 functional.⁹ The title of the website — as displayed in the browser tab — was “Hillary Clinton
 2 for President – Committee to Elect Hillary Clinton.”¹⁰ A static header at the top of each page of
 3 the website displayed the following logo:¹¹



4
 5 The website’s home page included an embedded video — produced by HFA and featuring
 6 HFA’s logo — of Clinton’s official campaign launch.¹² On the “About Us” page of the website,
 7 HC4P described itself as “[f]irst and foremost, [] a group of huge Hillary Clinton supporters”
 8 whose “hope is to raise enough money to make a significant positive impact on Hillary’s
 9 campaign and to get the word out about her campaign platform and initiatives.”¹³ The website
 10 provided information about Clinton, including her stances on various issues and recent news

⁹ HCFORPRESIDENT.ORG, <http://hcforphresident.org> (last visited May 20, 2016); Compl. MUR 7011, Attach. A (“MUR 7011 Compl.”). Screenshots from this site were attached to the Complaint filed for MUR 7011. Based on a comparison of the various screenshots available it appears that at times the committee listed its website address as “hcforphresident.org,” using the word “for” in place of the number 4.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.* The embedded video was posted to Clinton’s official YouTube channel and features a disclaimer at its conclusion that states “Paid for by Hillary for America.” Hillary for America, *Hillary Clinton’s Official Campaign Launch Video*, YOUTUBE (June 13, 2016), <https://www.youtube.com/watch?v=-i8vdM15K6c>.

¹³ *About Us*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/about-us/> (last visited May 20, 2016). The website further stated that HC4P’s “ultimate goal is to help Hillary Clinton become the 45th President and first woman elected to the office” and that it will accomplish this goal by raising awareness of Clinton’s policy positions, through get-out-the-vote activities, and “donat[ing] directly to other volunteer groups that support Hillary in battleground and other areas.” *Id.*

1 about the candidate.¹⁴ When users clicked certain links from a drop-down menu on HC4P
2 homepage, they were taken directly to pages of Hillary for America's website.¹⁵

3 The HC4P website also featured several "Donate Now" buttons that link to the website's
4 donation page.¹⁶ The following slogans accompanied the donation buttons:

- 5 • "Support Hillary Clinton"
- 6 • "Stand with Hillary"
- 7 • "Support Hillary Today [a]nd Stand With [t]he Middle Class. Donate [T]oday
8 and Become an Official Supporter"
- 9 • "Support Hillary Today and Stand [w]ith the Middle Class. Donate today to help
10 Hillary Clinton become our nation's 45th President."¹⁷

11 A copy of the donation page, attached to the Complaint,¹⁸ featured the words "Donation to
12 Hillary Clinton Campaign" at the top, followed by fields requesting the donor's personal and
13 billing information.¹⁹

14 A blue footer at the bottom of the website featured the following disclaimer, in small
15 white font:

¹⁴ *About Us*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/about-us/>; *Contact Us*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/contact-us/>; *Issues*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/issues/>.

¹⁵ *About Us*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/about-us/>; *Contact Us*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/contact-us/>; *Issues*, HCFORPRESIDENT.ORG, <http://hcforphresident.org/issues/>.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ MUR 7011 Compl, Attach. C.

¹⁹ *Id.*

1 Paid for by the hc4president Committee (hc4president.org) and not
2 authorized by any candidate or candidate's committee. –
3 hc4president.org © 2016 All Rights Reserved.²⁰

4 Another page solicited contributions by stating the following:

5 Your contribution goes directly toward paying for training
6 volunteers to knock on doors, make phone calls and spread the
7 word about Hillary's movement. It also helps pay for our
8 initiatives to help voters obtain the appropriate ID and
9 transportation to voting facilities. With your help we can take back
10 our country.²¹

11 The Complaint in MUR 7011 describes the experience of one Clinton supporter who, in
12 attempting to donate to Clinton, "was directed to the website of HC4P," where she made a
13 contribution to HC4P.²² According to the Complaint, at the time the supporter made her
14 contribution to HC4P, a Google search for the terms "donate Hillary Clinton for President" or
15 "donate to Hillary Clinton" generated links to HC4P's website as the first or second result.²³
16 Exhibits attached to the Complaint show that these search results were a Google Adwords
17 advertisement for HCforPresident.org, which featured the words "Donate to Hillary Clinton –
18 hc4president.org" and "Make History – Support Hillary for President by donating today."²⁴ The
19 Complaint states that after the supporter made her contribution to HC4P, she received a reply

²⁰ *Id.*, Attach. A.

²¹ *Id.*, Attach. B.

²² *Id.* at 1.

²³ *Id.* at 2 & Attach. F, G.

²⁴ *Id.*, Attach. F, G.

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1 email from “info@feelbern.org” thanking her for her donation to “Feel the Bern.”²⁵ Feelbern.org
2 is the URL for a website operated by SRG.²⁶

3 In its response, HC4P acknowledges that for a short period of time, donations to HC4P
4 generated response emails from info@feelbern.org.²⁷ However, the committee states that the
5 emails were the result of a “technological issue” that has since been resolved.²⁸ HC4P asserts
6 that the same consultant designed HC4P’s and SRG’s websites and that the response emails were
7 the result of “email coding which was improperly copied from the consultant’s earlier project.”²⁹
8 HC4P states that no funds donated to HC4P were ever misapplied to another committee.³⁰

9 *b. Legal Analysis*

10 Based on the information in the record, HC4P appears to have fraudulently
11 misrepresented that it was acting for, or on behalf of, Clinton’s official campaign for the purpose
12 of soliciting contributions. HC4P identifies itself as “Hillary Clinton for President – Committee
13 to Elect Hillary Clinton.”³¹ HC4P’s website also indicates that contributions directly benefit
14 Clinton or HFA, rather than HC4P. The site solicits contributions by stating: “Donate today and
15 Become an *Official* Supporter” and entreats viewers to “Support Hillary Clinton,” “Stand with
16 Hillary,” and “Donate today to help Hillary Clinton become our nation’s 45th President,” which

²⁵ *Id.* at 1-2.

²⁶ FEELBERN.ORG, www.feelbern.org.

²⁷ HC4P Resp. at 1 (Mar. 15, 2016).

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ HCFORPRESIDENT.ORG, <http://hcforphresident.org> (last visited May 20, 2016); Compl. MUR 7011, Attach. A (“MUR 7011 Compl.”).

1 suggests that a contribution to HC4P is essentially a donation to Clinton's campaign.³² Indeed,
2 HC4P's PayPal donation page featured the statement "Donation to Hillary Clinton Campaign" at
3 the top. Further, HC4P's Google advertisement contains the banner slogan "Donate to Hillary
4 Clinton," explicitly suggesting that contributions to HC4P will flow directly to the candidate.³³

5 HC4P denies that its website makes any fraudulent misrepresentations.³⁴ To the contrary,
6 it claims that HC4P is clearly registered with the Commission as an unauthorized committee and
7 has included appropriate disclaimers on all of its webpages, which state that the website was paid
8 for by HC4P and not authorized by any candidate or candidate's committee.³⁵ The mere
9 presence of disclaimers is not dispositive here, where the Committee falsely claimed to be there
10 "Committee to Elect Hillary Clinton."

11 Moreover, HC4P's apparent lack of disbursement in support of Clinton's candidacy
12 further demonstrates HC4P's fraudulent intent.³⁶ Because HC4P's website fraudulently
13 misrepresents HC4P as acting on behalf of Hillary Clinton, the Commission finds reason to
14 believe that HC4P violated 52 U.S.C. § 30124(b).

³² See MUR 7011 Compl. Attach. A, B.

³³ See *id.*, Attach. F, G.

³⁴ HC4P Resp. at 1.

³⁵ *Id.*

³⁶ *Cf. Novacek*, 739 F. Supp. 2d at 965.

1 3. There is Reason to Believe that Kyle Prall Violated Section 30124(b)

2 The Act imposes liability for any “person” who fraudulently solicits contributions.³⁷

3 Thus, the Commission has pursued not just the committee or entity for violations of Section
4 30124(b), but also the individual who is responsible for such a committee or entity.³⁸

5 The factual record indicates that Prall, who is the treasurer of HC4P and designated agent
6 for SRG, was responsible for the websites of both committees. As the apparent founder of these
7 entities, he likely directed the content, organization, and purpose of the websites at issue, and his
8 involvement with both committees may help explain why the websites were so similar and
9 contained almost identical language. Further, the fact that he directed such similar operations
10 concerning two competing candidates also tends to show that his intent was not to support the
11 election of a particular candidate, but rather to lead a venture designed to mislead individuals
12 into donating funds. The Complaint in MUR 7092 also raises questions concerning Prall’s
13 potential ties to the companies SRG paid during the election cycle and whether Prall received
14 any benefit from any of those payments.³⁹ Accordingly, the Commission finds reason to believe
15 that Prall violated 52 U.S.C. § 30124(b)(2).

16 **B. Personal Use**

17 The Complaint in MUR 7092 identifies payments made by SRG to Prall and to a number
18 of contractors and vendors, including Johan Garcia, LCGM LLC, NHT Productions, DMF

³⁷ 52 U.S.C. § 30124(b).

³⁸ See F&LA, MUR 6531 (Obama-Biden 2012); F&LA, MUR 5472 (Novacek).

³⁹ See, e.g., F&LA at 9–11 MUR 5472 (Novacek) (making knowing and willful reason to believe findings as to the treasurer in her personal capacity in part because of her ties with businesses doing work for the committee).

1 Marketing Solutions, and Upwork Global, Inc.⁴⁰ The Complaint alleges Prall and the vendors
2 misused committee funds in violation of the Act's prohibition against the personal use of
3 campaign funds.⁴¹

4 The Act prohibits the conversion of "contributions accepted by a candidate" to personal
5 use.⁴² Because SRG is an unauthorized committee, the Act's personal use provisions are not
6 applicable here. Therefore, the Commission finds no reason to believe that Kyle Prall violated
7 52 U.S.C. § 30114(b)(1).

⁴⁰ MUR 7092 Compl. at 5–8.

⁴¹ *Id.* at 8.

⁴² *See* 52 U.S.C. § 30114(a), (b).