

**CREW****citizens for responsibility  
and ethics in washington**RECEIVED  
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May 11, 2016

Thomas Hintermister  
 Director, Audit Division  
 Federal Election Commission  
 999 E Street, N.W., Room 501A  
 Washington, DC 20463

OFFICE OF GENERAL  
COUNSEL

Jeff S. Jordan  
 Assistant General Counsel  
 Complaints Examination and Legal Administration  
 Federal Election Commission  
 999 E Street, N.W.  
 Washington, DC 20463

Re: Additional Information Regarding MUR 7058/Request for Audit Regarding  
 Duncan D. Hunter for Congress

Dear Mr. Hintermister and Mr. Jordan:

In accordance with Mr. Jordan's May 5, 2016 letter, Citizens for Responsibility and Ethics in Washington ("CREW") respectfully submits to the Federal Election Commission ("FEC") additional information indicating Duncan D. Hunter for Congress ("Hunter Committee"), the principal campaign committee of Rep. Duncan D. Hunter (R-CA), may have violated the FECA and FEC regulations by spending campaign funds on purchases not related to campaign activity.

As CREW explained in its initial request for audit, the Hunter Committee admitted it spent campaign funds on video games, an oral surgeon, travel to Hawaii, and Rep. Hunter's children's school tuition. CREW's review of the committee's FEC disclosure reports revealed additional potential non-campaign spending, including payments related to a trip to Italy, expenditures by the Hunter Committee purportedly for contributions to local charitable organizations, and payments for Internet services apparently at Rep. Hunter's home.

News reports published after CREW filed its initial request for audit have identified additional potential personal use spending by the Hunter Committee.<sup>1</sup> Specifically, the *San Diego Union Tribune* reviewed the Hunter Committee's FEC reports covering January 2015 through March 2016 and identified:

- 106 purchases at gas stations, totaling \$5,660;

<sup>1</sup> Morgan Cook, Hunter's Campaign Spent on Groceries, Gas, *San Diego Union-Tribune*, May 7, 2016, available at <http://www.sandiegouniontribune.com/news/2016/may/07/hunter-groceries/>. See also Olivia Nuzzi, Trump's Guy, Rep. Duncan Hunter, Spent Campaign \$\$\$ at Disney, *Daily Beast*, May 10, 2016, available at <http://www.thedailybeast.com/articles/2016/05/10/trump-s-guy-rep-duncan-hunter-spent-campaign-at-disney.html>.

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- 16 purchases at Jack in the Box, totaling \$297;
- 40 purchases at grocery stores, including Albertson's and Trader Joe's, totaling \$6,819; and
- a \$229 purchase at the Star Trader gift shop at Disneyland's Tomorrowland, purportedly for "food/beverages."<sup>2</sup>

The newspaper also identified \$1,269 the committee paid to San Diego Gas & Electric and \$300 it paid to the Padre Municipal Water District, all for "utilities."<sup>3</sup>

The FECA and FEC regulations prohibit a candidate for federal office from using campaign funds to pay the personal obligations of the candidate.<sup>4</sup> The statute and regulations specify several types of purchases that constitute personal use. Campaigns may not pay for the utilities at the candidate's personal residence, even if part of the residence is used by the campaign.<sup>5</sup> The Hunter Committee is operated out of Rep. Hunter's home.<sup>6</sup> Accordingly, the committee's spending on utilities appears to be a prohibited personal use. Campaigns also may not pay for household food items or supplies,<sup>7</sup> and other purchases, including travel expenses, are evaluated on a case-by-case basis to determine if they constitute personal use.<sup>8</sup> As a result, if the committee's purchases at grocery stores were for Rep. Hunter's household, or if the restaurant, gas station, and Disneyland gift shop expenditures were not for campaign purposes, they would be prohibited personal uses.

CREW further notes that under FEC regulations, when campaign funds are used for purposes that involve both personal use and campaign use, the campaign is required to keep a contemporaneous and updated log to document the dates and expenses related to the personal use.<sup>9</sup> The log must be maintained for at least three years after the report disclosing the disbursement is filed.<sup>10</sup> Thus, if any of the Hunter Committee's expenditures were for both personal and campaign use, the committee was required to maintain a log of the personal use spending.

Accordingly, CREW requests the FEC expand its audit and/or its investigation in MUR 7058 to include these potential violations of the personal use prohibition in the FECA and FEC regulations.

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<sup>2</sup> Cook, *San Diego Union-Tribune*, May 7, 2016.

<sup>3</sup> *Id.* See also Duncan D. Hunter for Congress, FEC Form 3, 2015-16 Reports, available at <http://docquery.fec.gov/cgi-bin/fecimg/?C00433524>.

<sup>4</sup> 52 U.S.C. § 30114(b); 11 C.F.R. §§ 113.1(g), 113.2(e).

<sup>5</sup> 11 C.F.R. § 113.1(g)(1)(i)(E)(1). See also FEC, Campaign Guide for Congressional Candidates, at 54 (June 2014).

<sup>6</sup> Morgan Cook, Hunter Repaid Funds Spent on Surf Shop, Garage Door, *San Diego Union-Tribune*, Apr. 19, 2016, available at <http://www.sandiegouniontribune.com/news/2016/apr/19/hunter-garage-door/>.

<sup>7</sup> 11 C.F.R. § 113.1(g)(1)(i)(A).

<sup>8</sup> 11 C.F.R. § 113.1(g)(1)(ii).

<sup>9</sup> 11 C.F.R. § 113.1(g)(8).

<sup>10</sup> *Id.*

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Thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Noah Bookbinder', written over a horizontal line.

Noah Bookbinder

Executive Director

Citizens for Responsibility and Ethics in Washington

455 Massachusetts Ave., NW, Sixth Floor

Washington, D.C. 20001

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Verification

Citizens for Responsibility and Ethics in Washington and Noah Bookbinder hereby verify that the statements made in the attached Complaint are, upon information and belief, true. Sworn pursuant to 18 U.S.C. § 1001.

  
\_\_\_\_\_  
Noah Bookbinder

Sworn to and subscribed before me this 11 th day of May, 2016.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 10/31/2020

