

1 **FEDERAL ELECTION COMMISSION**

2  
3 **FIRST GENERAL COUNSEL'S REPORT**

4  
5 MUR: 7100  
6 COMPLAINT FILED: July 6, 2016  
7 NOTIFICATION: July 12, 2016  
8 SUPPLEMENTAL COMPLAINTS FILED:  
9 October 14, 2016 (2)  
10 LAST RESPONSE RECEIVED:  
11 December 20, 2016  
12 ACTIVATED: January 13, 2017  
13  
14 EXPIRATION OF SOL: March 8, 2021  
15 ELECTION CYCLE: 2016

16  
17 **COMPLAINANTS:**

17 Brad Woodhouse  
18 American Democracy Legal Fund

19  
20 **RESPONDENTS:**

20 Donald J. Trump for President, Inc. and  
21 Bradley T. Crate in his official capacity as  
22 treasurer  
23 Donald J. Trump  
24 The Trump Organization  
25 Mar-A-Lago Club, LLC

26  
27 **RELEVANT STATUTES  
28 AND REGULATIONS:**

28 52 U.S.C. § 30114(a), (b)  
29 52 U.S.C. § 30104(b)(1),(2)  
30 11 C.F.R. § 106.3(c)(2)  
31 11 C.F.R. § 100.93(b), (g)  
32 11 C.F.R. § 113.1(g)  
33 11 C.F.R. § 113.2(e)

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35 **INTERNAL REPORTS CHECKED:**

35 Disclosure Reports

36  
37 **FEDERAL AGENCIES CHECKED:**

37 None

38  
39 **I. INTRODUCTION**

40 The Complaint and two supplements (collectively, the "Complaint") allege that Donald J.  
41 Trump, Donald J. Trump for President, Inc. and Bradley T. Crate in his official capacity as

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1 treasurer (the "Committee"),<sup>1</sup> The Trump Organization, and Mar-A-Lago Club, LLC  
2 (collectively, the "Respondents") violated the Federal Election Campaign Act of 1971, as  
3 amended (the "Act"), and Commission regulations by converting campaign funds to the personal  
4 use of Trump and members of his family. As explained below, we recommend that the  
5 Commission dismiss the allegation that Respondents violated 52 U.S.C. § 30114(b) and  
6 11 C.F.R. § 113.2 regarding one campaign event at the Trump International Hotel. As to the  
7 remaining allegations, we recommend that the Commission find no reason to believe that  
8 Respondents violated the personal use provisions by (1) promoting properties and products  
9 owned by, or associated with, The Trump Organization; (2) making payments to Trump family  
10 members or to organizations owned by, or associated with, The Trump Organization; or  
11 (3) overcharging the Committee for events at the Mar-A-Lago Club.

12 **II. FACTUAL BACKGROUND**

13 At the time of the Complaint's filing, Donald J. Trump was the sole member of Trump  
14 Organization LLC,<sup>2</sup> as well as a candidate for President. Trump also held a 100% ownership  
15 interest in the other entities named in the Complaint: Tag Air, Inc.; Mar-A-Lago Club, LLC;  
16 Trump Restaurants LLC; Trump Tower Commercial LLC; Trump National Golf Club; and  
17 Trump International Golf Club.<sup>3</sup>

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<sup>1</sup> At the time the Complaint was filed, the Committee's treasurer was Timothy Jost. Bradley T. Crate has since been substituted and is the current treasurer. *See* Statement of Organization Amendment 4, Donald J. Trump for President, Inc. (Jan. 20, 2017).

<sup>2</sup> *See* United States Office of Government Ethics, Executive Branch Personnel Public Financial Disclosure Record, OGE Form 278e (March 2014) (July 15, 2015) ("OGE Form").

<sup>3</sup> *Id.*

1 The Complaint alleges that President Trump promoted Trump Organization products and  
2 properties at various events during the 2016 presidential campaign.<sup>4</sup> It argues that Trump's  
3 campaign events served as promotional events for his businesses, thereby violating the Act's  
4 prohibition on converting campaign funds to personal use.<sup>5</sup> In support, the Complaint relies on  
5 news articles that describe the events as "infomercials" and sales pitches for his products and  
6 properties.<sup>6</sup> Specifically, the Complaint alleges that Trump promoted his businesses during five  
7 campaign events: (1) a March 8, 2016, post-primary press conference during which he promoted  
8 Trump-branded steaks, water, wine, and Trump Magazine;<sup>7</sup> (2) a March 21, 2016, press  
9 conference held at the then-unfinished Trump International Hotel in Washington, D.C., during  
10 which Trump called the hotel "one of the great hotels of the world" and gave a tour to reporters;<sup>8</sup>  
11 (3) a May 5, 2016, campaign rally and interview during which Trump criticized the judge  
12 presiding over a suit against Trump University;<sup>9</sup> (4) a June 24, 2016, press conference and

<sup>4</sup> Compl. at 2-5 (July 6, 2016); Supp. Compl. B at 3 (Oct. 14, 2016).

<sup>5</sup> See 51 U.S.C. § 301104(a)(1); see also 11 C.F.R. § 113.1(g).

<sup>6</sup> See, e.g., Supp. Compl. B at 1-2 (citing Peter Suderman, *Trump's Latest Birther Press Conference Shows that He's a Crony Capitalist Nightmare*, REASON.COM (Sept. 16, 2016), <http://reason.com/blog/2016/09/16/trumps-latest-birther-press-conference-s>).

<sup>7</sup> *Id.* at 2-3, 9 (citing Daniel Lippman, et. al, *Trump's Week of Errors, Exaggerations and Flat-out Falsehoods*, POLITICO (Mar. 13, 2016), <http://www.politico.com/magazine/story/2016/03/trump-fact-check-errors-exaggerations-falsehoods-213730>) (quoting Trump as stating "we have water, and it's very successful," and "[w]e make the finest wine. As good a wine as you can get anywhere in the world."); Brett Neely, *Trump Doesn't Own Most of the Products He Pitched Last Night*, NPR (Mar. 9, 2016), <http://www.npr.org/2016/03/09/469775355/trump-doesnt-own-most-of-the-products-he-pitched-last-night>); James Poniewozik, *With Trump Water, Wine and Steak, Is It Primary Night or an Infomercial*, N.Y. TIMES (Mar. 9, 2016), [https://www.nytimes.com/2016/03/10/arts/television/donald-trump-brings-red-meat-and-wine-to-primary-night-airwaves.html?\\_r=0](https://www.nytimes.com/2016/03/10/arts/television/donald-trump-brings-red-meat-and-wine-to-primary-night-airwaves.html?_r=0)) ("I built a great, great, company. You have the water. You have the steaks. You have the wines and all of that.")).

<sup>8</sup> Supp. Compl. B. at 4 (citing Sara Murray, *Donald Trump Sells Candidacy, Golf Courses*, CNN POLITICS (June 25, 2016), <http://www.cnn.com/2016/06/25/politics/donald-trump-campaign-properties/>).

<sup>9</sup> *Id.* at 6 (citing Reid J. Epstein, *Trump Attacks Federal Judge in Trump U Case*, WALL STREET J. (May 27, 2016), <http://blogs.wsj.com/washwire/2016/05/27/trump-attacks-federal-judge-in-trump-u-case/> (noting that Trump devoted twelve minutes of a 58 minute address to "attacking" Judge Gonzalo Curiel)).

1 ribbon-cutting ceremony at Trump Turnberry in Ayrshire, Scotland, during which Trump  
2 described the course as “phenomenal”;<sup>10</sup> and (5) a September 16, 2016, event at the Trump  
3 International Hotel during which Trump called the hotel one of the best in the world and took  
4 photographers and video camera operators on a tour.<sup>11</sup>

5 The Complaint also alleges that Trump business entities and family members personally  
6 profited from Committee expenditures.<sup>12</sup> The Complaint lists payments disclosed in the  
7 Committee’s 2016 June Monthly Report to six entities associated with Trump:

- 8 • \$423,371.70 to Mar-A-Lago
- 9 • \$349,540 to Tag Air, Inc.
- 10 • \$125,080.31 to Trump Restaurants LLC
- 11 • more than \$170,000 to Trump Tower Commercial LLC
- 12 • \$29,715 to Trump National Golf Club
- 13 • \$35,845 to Trump International Golf Club (collectively, the “Trump Entities”).<sup>13</sup>

14 The Complaint further alleges that payments of \$5,000 to Eric Trump Wine Manufacturing LLC,  
15 and payments to Trump’s sons for campaign travel constituted personal use.<sup>14</sup> The Complaint  
16 concedes that rental payments to Trump entities are not inherently prohibited, but argues that the

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<sup>10</sup> *Id.* at 4.

<sup>11</sup> See Supp. Compl. B. at 3 n.15-17 (Oct. 14, 2016) (citing Peter Suderman, *Trump's Latest Birther Press Conference Shows that He's a Crony Capitalist Nightmare*, REASON.COM (Sept. 16, 2016), <http://reason.com/blog/2016/09/16/trumps-latest-birther-press-conference-s>); Allegra Kirkland, *Networks Erase Footage of Trump Hotel Tour After Producer Physically Restrained*, TALKING POINTS MEMO (Sept. 16, 2016); *Trump Plays Reporters so Reporters Erase His Hotel Tour*, THE WEEK (Sept. 16, 2016), <http://theweek.com/speedreads/649284/trump-plays-reporters-reporters-erase-hotel-tour> (noting that the tour of the hotel occurred after the speech)).

<sup>12</sup> Supp. Compl. A at 2 (Oct. 14, 2016).

<sup>13</sup> Compl. at 7.

<sup>14</sup> *Id.*







1 material for a candidate-authored book on its website at *de minimis* cost without violating the  
2 personal use restriction.<sup>34</sup>

3 **A. Allegations Regarding Promotion of Candidate-Owned Products and**  
4 **Properties**

5  
6 The available information indicates that most of Trump's alleged promotion of his  
7 products and properties during campaign appearances were made in the context of touting his  
8 business acumen, and therefore his suitability and qualifications for office, which was an issue  
9 often raised during the campaign.<sup>35</sup> For example, at the March 8, 2016, post-primary event at  
10 which Trump mentioned Trump steaks, water, wine, and Trump Magazine, the record indicates  
11 that Trump made these comments in response to Mitt Romney's critiques during the campaign of  
12 Trump's business record.<sup>36</sup> Similarly, Trump's criticism of a federal judge at the May 5, 2016,  
13 campaign rally regarding a lawsuit against Trump University related to a prominent issue during  
14 his campaign.<sup>37</sup>

15 Regarding two other events mentioned in the Complaint, the March 21, 2016, press  
16 conference at the Trump International Hotel and the June 24, 2016, press conference at Trump

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<sup>34</sup> See AO 2011-02; see also AO 2006-07. In Advisory Opinion 2013-14 (Long) the Commission considered whether a candidate's campaign committee could distribute palm cards that referenced a candidate-authored book, but was unable to render an opinion.

<sup>35</sup> See, e.g., Brian Gunia, *Does Trump Know Business?*, BALITMORE SUN (Sept. 28, 2016), <http://www.baltimoresun.com/news/opinion/oped/bs-ed-trump-business-20160928-story.html> (“[T]he election has raised another equally critical question ... Is Mr. Trump a good businessman?”); see also Committee Resp. at 4 n.4 (citing multiple news articles reporting Republican politicians calling Trump's business skills into question during the 2016 campaign).

<sup>36</sup> See, e.g., Gregory Krieg, *Wine, Water and (Actual) Red Meat -- It's a Donald Trump Press Conference*, CNN (Mar. 8, 2016) <http://www.cnn.com/2016/03/08/politics/donald-trump-steak-wine-water-press-conference/>; Jill Colvin, *After Winning Biggest Prizes in the Republican Race, Trump Was in Mood to Celebrate*, U.S. NEWS & WORLD REPORT (Mar. 9, 2016) <https://www.usnews.com/news/business/articles/2016-03-09/trump-displays-steak-water-wine-to-defend-business-record>.

<sup>37</sup> See, e.g., Drew Griffin, *Trump University Fraud Case Becomes Campaign Issue at GOP Debate*, CNN (Feb. 27, 2016), <http://www.cnn.com/2016/02/26/politics/donald-trump-university-fraud-trial-republican-debate/>.



1 series of military veterans endorsing Trump, which although not the topic the media reportedly  
2 thought the event would cover, was reasonably related to the campaign.<sup>44</sup> After that, Trump  
3 made a brief announcement that he believed that Obama was born in the United States.<sup>45</sup> The  
4 sources cited in the Complaint acknowledge that Trump “barely spoke,” and did so for “only  
5 seconds.”<sup>46</sup> Following that statement, however, Trump led camera operators—but not  
6 reporters—on a tour of the hotel.<sup>47</sup> These facts support a reasonable inference that Trump used  
7 this campaign-financed event, at least in part, to promote his hotel.

8 This event contrasts with other situations where the Commission found that the  
9 discussion of a candidate’s business during a campaign was reasonably campaign related. In  
10 MUR 6437, for example, the candidate’s mention of her restaurant in a campaign ad was brief  
11 and bolstered her claim that her business skills made her a better candidate than her opponent.<sup>48</sup>  
12 The September 16 event, however, was not supposed to focus on Trump’s business skills, yet a  
13 portion of the event was devoted to Trump complimenting his hotel and leading a press tour.  
14 Furthermore, Trump’s remarks and his tour indicate that he was not merely speaking briefly  
15 about his business skills. Although the record is not clear as to how much of the event was  
16 dedicated to Trump’s promotion of his hotel, as opposed to the campaign portion of the event, it

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<sup>44</sup> *Id.*

<sup>45</sup> See Compl. at 3 n.16, 17 (citing Peter Suderman, *Trump’s Latest Birther Press Conference Shows that He’s a Crony Capitalist Nightmare*, REASON.COM (Sept. 16, 2016), <http://reason.com/blog/2016/09/16/trumps-latest-birther-press-conference-s>; *Trump Plays Reporters So Reporters Erase His Hotel Tour*, THE WEEK (Sept. 16 2016), <http://theweek.com/speedreads/649284/trump-plays-reporters-reporters-erase-hotel-tour>).

<sup>46</sup> *See id.*

<sup>47</sup> *Supra* n. 41 and 42. In protest, some news outlets deleted recordings of the tour. *Id.*

<sup>48</sup> Factual & Legal Analysis at 8, MUR 6437 (Harrington).

1 appears that the tour and the time Trump spent touting his businesses was more significant than  
2 activities the Commission has determined would not constitute personal use.<sup>49</sup>

3 Nevertheless, the circumstances support dismissing the violation as a matter of  
4 prosecutorial discretion.<sup>50</sup> The record reflects that the event, as scheduled, was related to  
5 Trump's campaign and included Trump discussing issues in the campaign and receiving  
6 endorsements. Although the cost of the campaign event is not certain, the only disbursement to  
7 the Trump International Hotel the Committee reported around the time of the event was  
8 \$13,341.88 for facility rental and catering, and the record does not indicate what expenses were  
9 attributable to Trump's promotion of the hotel.<sup>51</sup> Given this uncertainty; the differing opinions  
10 as to how to properly allocate any expenses that might constitute personal use,<sup>52</sup> and the  
11 somewhat modest amount at issue, we do not believe this matter warrants the use of further  
12 Commission resources.

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<sup>49</sup> *Supra*, n.34.

<sup>50</sup> The present matter is distinguishable from past matters in which the Commission found reason to believe a violation occurred for the advertisement and promotion of candidate-owned businesses because in those matters the Commission determined the advertisements were contributions from the candidate-owned businesses to the campaigns. *See, e.g.*, Factual & Legal Analysis, MUR 5410 (Oberweis); Factual & Legal Analysis, MUR 5517 (Stork). The allegations here are the reverse.

<sup>51</sup> *See* 2016 Pre-General Election Report at 12843, Donald J. Trump for President, Inc. (Dec. 22, 2016). We are not aware of any other campaign events held at the Trump International Hotel, and the Committee made no other disbursements to the Trump International Hotel during this time period. It appears that the October 17 disbursement covered the expenses incurred at the September 16 event. In the context of expenses that arise from mixed personal and campaign-related travel, the Commission has determined that in order to avoid converting campaign funds to personal use, the candidate must reimburse his or her campaign committee for the incremental expenses that arise because of the portions of the event spent on personal activity. *See* Advisory Opinion 2002-05 (Hutchison); Factual & Legal Analysis, MUR 6127 (Obama for America); 1995 Personal Use E&J at 7869 ("Of course, the reimbursement need only cover the incremental costs of the personal activities, that is the increase in the total cost of the trip that is attributable to" the personal activities). In MUR 6511, the Commission found no reason to believe that a candidate violated the personal use prohibition by hosting a party that was both a campaign event and a personal event where the candidate "paid the additional non-campaign related costs . . . with his personal funds." Factual & Legal Analysis at 13, MUR 6511 (Andrews).

<sup>52</sup> *See* Advisory Opinion 2011-02 (Brown). In Brown, the Commission was unable to approve a response regarding the proper allocation of expenses that arose out of mixed campaign and personal travel. *Compare id.* Agenda Draft A and *id.* Agenda Draft B.

1           Accordingly, we recommend the Commission dismiss as a matter of prosecutorial  
2 discretion the allegation that the Respondents violated 52 U.S.C. § 30114(b) and 11 C.F.R. §  
3 113.2 by promoting the Trump International Hotel.<sup>53</sup>

4           **B.           Payments to Candidate-owned Businesses and Family Members**

5                   1. Payments for Use of Trump-Owned Properties

6           The Committee's payments to rent Trump properties appear to be permissible  
7 expenditures. The Commission has advised that "[a] campaign committee may [] rent, for  
8 campaign use, part of an office building owned by the candidate so long as it pays no more than  
9 the fair market value."<sup>54</sup> The Commission has also permitted payments "for the use of [private  
10 clubs] for any costs that are . . . associated only with the use of facilities for specific fundraising  
11 or other campaign events."<sup>55</sup>

12           The Complaint alleges that the Committee paid more than fair market value to use Mar-  
13 A-Lago.<sup>56</sup> The Trump Organization, however, justifies the disparity between the \$423,371.70 it  
14 charged the Committee and the \$4,855 it charged to the Republican Party of Florida by pointing  
15 to the differences between the March 2016 campaign events and the March 2014 fundraiser.<sup>57</sup>

<sup>53</sup> See *Heckler v. Chaney*, 470 U.S. 821 (1985).

<sup>54</sup> Advisory Opinion 1995-08 (Stupak); 11 C.F.R. § 113.1(g)(1)(i)(E)(2).

<sup>55</sup> Advisory Opinion 1995-26 (Murkowski) (citing 1995 Personal Use E&J at 7,866).

<sup>56</sup> Supp. Compl. A at 2-3.

<sup>57</sup> The Trump Organization contends that the 2014 Florida Republican Party event "was held outside and was attended by 50 people." Trump. Org. Resp. at 5. In contrast, the Committee events "were held in large ballrooms with sets, stages, seating, and lighting." *Id.* The record is not clear in regard to the number of attendees at the Committee's Mar-A-Lago events, but one was held on the evening of "Super Tuesday II," and included many members of Trump's campaign, Trump supporters, and members of the national media. See Amy Davison, *Donald Trump and the Super Tuesday II View from Mar-A-Lago*, NEW YORKER (Mar. 16, 2016), <http://www.newyorker.com/news/amy-davidson/donald-trump-and-the-super-tuesday-ii-view-from-mar-a-lago>. The Trump Organization Response also notes that the campaign paid the standard rate for the use of guest rooms at Mar-A-Lago in connection with the events. See Trump Org. Resp. at 5 n.2.

1 News reports and tax returns of charitable organizations that held events at Mar-A-Lago suggest  
2 that the rate the Committee paid is not obviously out of line with other larger events held at that  
3 facility.<sup>58</sup> For example, the Palm Beach Police Foundation reported paying \$235,362 in  
4 "Rent/facility costs" for their 2013 annual ball and auction.<sup>59</sup> Respondents also note that the  
5 Complaint does not state what constitutes the "usual rate" for events held at Mar-A-Lago.<sup>60</sup> We  
6 conclude the expenses paid to Mar-A-Lago here were reasonably related to campaign events, and  
7 we have no information suggesting that the Committee paid more than similarly sized events at  
8 the resort or more than fair market value. Likewise, there is no information to suggest, and the  
9 Complaint does not allege, that the payments to Trump Restaurants LLC, Tower Commercial  
10 LLC, Trump National Golf Club, and Trump International Golf Club were more than fair market  
11 value.

12 As to the payments to Tag Air, Inc., the Act contains an exception from the payment and  
13 reimbursement requirements for travel on aircraft owned by a candidate: candidates are required  
14 to reimburse the "service providers" in order to avoid receiving an in-kind contribution.<sup>61</sup> Thus,  
15 to avoid receiving a prohibited corporate in-kind contribution from Tag Air, Inc., the Committee

<sup>58</sup> See Lori Rozsa, *Mar-A-Lago Remains a Top Destination for Charities Despite Concerns About Trump*, THE WASHINGTON POST (Dec. 25, 2016), [https://www.washingtonpost.com/politics/mar-a-lago-remains-a-top-destination-for-charities-despite-concerns-about-trump/2016/12/25/3dd6b886-c7c0-11e6-bf4b-2c064d32a4bf\\_story.html?utm\\_term=.d2220469c984](https://www.washingtonpost.com/politics/mar-a-lago-remains-a-top-destination-for-charities-despite-concerns-about-trump/2016/12/25/3dd6b886-c7c0-11e6-bf4b-2c064d32a4bf_story.html?utm_term=.d2220469c984); Christopher Massie & Andrew Kaczynski, *Charities Raise Millions At Trump's Mar-A-Lago Club — But For a Steep Fee*, BUZZFEED NEWS (Aug. 24, 2016), [https://www.buzzfeed.com/christophermassie/charities-raise-millions-at-trumps-mar-a-lago-club-but-for-a?utm\\_term=.acEmgZ84D#.wwrDklpE9](https://www.buzzfeed.com/christophermassie/charities-raise-millions-at-trumps-mar-a-lago-club-but-for-a?utm_term=.acEmgZ84D#.wwrDklpE9) (citing charity tax records and local fundraising permits to conclude that "the price tag to hold events there usually ranges between \$200,000 and \$350,000." and noting that "[s]maller events, like luncheons and receptions, tend to run outside groups under \$100,000").

<sup>59</sup> See 2012 Return of Organization Exempt from Income Tax, the Palm Beach Police Foundation Inc. at Schedule G (May 12, 2014), <https://www.guidestar.org/Home.aspx> (search "Palm Beach Police Foundation").

<sup>60</sup> As discussed above, the appropriate standard for determining personal use is not whether the candidate paid the "usual rate," but instead whether the candidate paid fair market value. 11 C.F.R. § 113.1(g)(1)(i)(E)(2).

<sup>61</sup> Explanation and Justification for Regulations on Campaign Travel, 74 Fed. Reg. 63,951, 63,960 (Dec. 7, 2009) ("Campaign Travel E&J"). "Service provider means the owner of the aircraft . . ." 11 C.F.R. § 100.93(a)(3)(ii). See also 11 C.F.R. § 113.5(c).

1 was required to pay "the *pro rata* share per campaign traveler of the costs associated with the trip  
2 . . . [including] the cost of fuel and crew, and a proportionate share of maintenance costs."<sup>62</sup> The  
3 Complaint does not allege that the amounts paid to reimburse Tag Air were for more than the *pro*  
4 *rata* share per campaign traveler of the costs associated with the specific trips, and there is no  
5 information in the record to support that conclusion.<sup>63</sup> Accordingly, we recommend the  
6 Commission find no reason to believe Respondents violated 52 U.S.C. § 30114(b) and 11 C.F.R.  
7 § 113.2 in connection with these payments.<sup>64</sup>

## 8 2. Payments to Trump Family Members

9 Finally, the Complaint alleges that the Respondents violated the Act by reimbursing  
10 members of Trump's family for travel expenses. Travel expenses are among the type of  
11 expenses analyzed on a case-by-case basis discussed above.<sup>65</sup> The Commission has previously  
12 determined that campaign funds may be used to pay for a candidate's immediate family members  
13 to travel to participate in campaign events.<sup>66</sup>

<sup>62</sup> 11 C.F.R. § 100.93(g)(1)(iii); *see also* Campaign Travel E&J at 63,960.

<sup>63</sup> Between June 16, 2015, and November 28, 2016, the Committee reported 18 disbursements to Tag Air totaling \$8,741,464.25. *See* 2016 Reports of Receipts and Disbursements, Donald J. Trump for President, Inc. For each disbursement, we do not know the numbers of trips, distance traveled, number of passengers, size of aircraft, or other similar facts, so it is difficult to assess the validity of a claim that the amount paid to Tag Air is above the *pro rata* share per campaign traveler of the costs associated with the trips, which again, the Complaint does not allege. By way of rough comparison, we note that the amounts the Committee reported for air travel over the course of the campaign were not facially out of line with amounts reported by his general election opponent. *See* 2016 Reports of Receipts and Disbursements, Hillary for America.

<sup>64</sup> The Complaint also alleges that Eric Trump personally benefitted because the Committee paid "Ace Specialties nearly \$694,000 [during the reporting period] for campaign hats and t-shirts." Compl. at 7. According to the Complaint, Ace Specialties is owned by a board member of Eric Trump's charitable foundation. *Id.* The Complaint does not allege, and there is no information to suggest, that the Committee paid more than fair market value for the hats and shirts.

<sup>65</sup> 11 C.F.R. § 113.1(g)(1)(ii)(C).

<sup>66</sup> *See* Advisory Opinion 1996-34 (Thornberry) (approving use of campaign funds for travel costs of spouse and minor children); *cf.* 1995 Personal Use E&J at 7,866 ("The Commission agrees . . . that [in regard to salary payments] family members should be treated the same as other members of the campaign staff. So long as the

1 The Committee reported disbursing \$13,902 to Donald Trump, Jr., and Eric Trump a for  
2 "travel expense reimbursement" for the period covered in the Committee's June 2016 Monthly  
3 Report.<sup>67</sup> The Complaint makes no assertion that the expenses incurred were for anything other  
4 than legitimate campaign-related travel. It makes no claim that Eric Trump or Donald Trump,  
5 Jr., failed to attend campaign-related events. On the contrary, Eric Trump and Donald Trump,  
6 Jr., appear to have played a large role in Donald Trump's campaign.<sup>68</sup> Accordingly, there is no  
7 information to suggest that the travel reimbursements were made for anything other than *bona*  
8 *fide* campaign travel, and we recommend the Commission find no reason to believe Respondents  
9 violated 52 U.S.C. § 30114(b) and 11 C.F.R. § 113.2 in connection with payments for travel by  
10 Trump's family members.

#### 11 IV. RECOMMENDATIONS

- 12 1. Dismiss the allegation that Donald J. Trump for President, Inc. and Bradley T. Crate  
13 in his official capacity a treasurer, Donald J. Trump, and The Trump Organization  
14 violated 52 U.S.C. § 30114(b) and 11 C.F.R. § 113.2 in regard to the promotion of the  
15 Trump International Hotel;
- 16 2. Find no reason to believe that Donald J. Trump for President, Inc. and Bradley T.  
17 Crate in his official capacity as treasurer, Donald J. Trump, The Trump Organization,  
18 and Mar-A-Lago Club, LLC violated 52 U.S.C. § 30114(b) and 11 C.F.R. § 113.2  
19 regarding other payments to candidate-owned businesses and family members;
- 20 3. Approve the attached Factual and Legal Analysis;
- 21 4. Approve the appropriate letters;
- 22
- 23
- 24
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family member is providing *bona fide* services to the campaign, salary payments to that family member should not be considered personal use.”).

<sup>67</sup> See 2016 June Monthly Report at 1614, 1617-18, Donald J. Trump for President, Inc. (June 20, 2016).

<sup>68</sup> See, e.g., Naomi Lim, *Eric Trump: My Father Started with 'Just About Nothing'*, CNN (Sept. 26, 2016), <http://www.cnn.com/2016/09/23/politics/eric-trump-donald-trump-american-dream/> (“Donald Trump's children have become prominent surrogates for his unconventional presidential campaign. . .”).

