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January 12, 2017

## VIA ELECTRONIC AND FIRST-CLASS MAIL

Mr. Jeff S. Jordan Assistant General Counsel Federal Election Commission Attn: Donna Rawls, Paralegal 999 E Street, N.W. Washington, DC 20463

Re: MUR 7191—Response of Rand Paul for President (Paul Kilgore - Treasurer) and RANDPAC (Kevin Broghamer - Treasurer)

Dear Mr. Jordan:

I write to respond to a recent complaint against Rand Paul for President ("RPFP") and Reinventing A New Direction Political Action Committee ("RANDPAC") alleging, among other things, that RANDPAC unlawfully defrayed presidential campaign costs. The complaint's claims are speculative and ultimately inaccurate. Each claim is addressed below.

## I. RANDPAC Defrayed Only Permissible Expenses for Its Operations

The complaint falsely asserts that RANDPAC paid for expenses related to Senator Rand Paul's presidential campaign, citing press speculation about Senator Paul's intentions before his presidential campaign announcement, stating erroneously that Senator Paul "entered" a presidential straw poll, and mentioning that RANDPAC paid vendors who also worked for the presidential campaign. This in no way demonstrates that RANDPAC impermissibly defrayed presidential campaign expenses.

The Commission has previously stated that "leadership PACs ... cannot be assumed to be acting as authorized committees" because "these PACs are worthy of the same treatment as other unauthorized committees that operated without presumptions as to their status." A leadership PAC, in other words, should not be presumed to defray campaign expenses to elect its honorary chair simply because that honorary chair ultimately runs for federal office. The Commission has required that the honorary chair (or his agents) actually express some intention to explore or

<sup>&</sup>lt;sup>1</sup> An individual cannot "enter" or qualify for the Conservative Political Action Conference ("CPAC") straw poll that the complaint references. CPAC leadership and attendees simply select and vote for prominent individuals in the straw poll.

<sup>&</sup>lt;sup>2</sup> Complaint at 5-7.

<sup>&</sup>lt;sup>3</sup> 68 Fed. Reg. at 67017 (Dec. 1, 2003).

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pursue elected office.<sup>4</sup> Mere press speculation and inference based on a leadership PAC's general political activities are insufficient to sustain any claim of a violation.<sup>5</sup>

Tellingly, the complaint fails to cite any statement by Senator Paul or his agents declaring that he was exploring or pursuing the Republican nomination prior to his presidential campaign announcement. None exist. RANDPAC's purpose was and is to support the nationwide liberty movement, in which Senator Paul is a principal leader. RANDPAC's personnel and expenditures supported pro-liberty candidates and committees through multiple methods—monetary contributions, travel to political rallies and fundraising efforts, trips to state party-building events, public-relations efforts that influenced policy debates, and issue research. RANDPAC has not ever made any expenditures to support Senator Paul's election. All RANDPAC-funded work performed by committee personnel has been conducted only for the purpose of furthering RANDPAC's organizational mission and not for the purpose of funding Senator Paul's own, entirely separate election effort.

## II. RPFP Has Already Remedied All General-Election Contributions

The complaint alleges that RPFP has failed to redesignate or refund certain contributions given by donors for the 2016 general election. In fact, though, RPFP has now fully remedied all general-election contributions through redesignation or refund.

## III. Conclusion

The complaint's accusations are meritless. As noted above, the Committees have acted in full compliance with the law. The Commission should therefore find no reason to believe a violation occurred and should dismiss this Matter.

Respectfully Submitted,

Matthew T. Sanderson

Member

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<sup>&</sup>lt;sup>4</sup> FEC Matter Under Review 5260 (Talent); FEC Matter Under Review 5908 (Hunter).

<sup>&</sup>lt;sup>5</sup> FEC Matter Under Review 6815 (Brown); FEC Matter Under Review 6907 (Huckabee).

<sup>&</sup>lt;sup>6</sup> Complaint at 8.