



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

**MEMORANDUM**

August 7, 2019

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3 TO: The Commission  
4  
5 FROM: Lisa J. Stevenson  
6 Acting General Counsel  
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8 BY: Charles Kitcher *CK*  
9 Acting Associate General Counsel for Enforcement  
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20 SUBJECT: MUR 7191 (Rand Paul, *et al.*)  
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22 RE: Circulation of Discovery Documents

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24 On April 25, 2019, the Commission found reason to believe that Senator Rand Paul and  
25 Freedom for All Americans (f/k/a Rand Paul for President, Inc.) accepted excessive in-kind  
26 contributions resulting from the payment of certain pre-candidacy expenses by Reinventing a  
27 New Direction Political Action Committee and Kevin Broghamer in his official capacity as  
28 treasurer (“RAND PAC”) under 11 C.F.R. § 110.2(l), in violation of 52 U.S.C. § 30116(f).<sup>1</sup>  
29 Correspondingly, the Commission found reason to believe that RAND PAC violated 52 U.S.C.  
30 § 30116(a) by making excessive contributions, and that RAND PAC and Freedom for All  
31 Americans failed to properly disclose the in-kind contributions at issue, in violation of 52 U.S.C.  
32 § 30104(b).<sup>2</sup> In addition, the Commission authorized the use of compulsory process for the  
33 investigation.<sup>3</sup>

<sup>1</sup> Certification ¶ 4(b), MUR 7191 (Rand Paul, *et al.*).

<sup>2</sup> *Id.* ¶ 4(c)-(d).

<sup>3</sup> *Id.* ¶ 4(f). The Commission also found reason to believe that Freedom for All Americans violated 52 U.S.C. § 30116(f) and 11 C.F.R. § 102.9(e)(3) by failing to timely remedy general election contributions, but those findings are not subject to the investigation.

MUR 7191 (Rand Paul, *et al.*)

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1           On May 17, 2019, we sent notification of the Commission's reason to believe findings to  
2 Respondents and also provided the Factual and Legal Analysis. We did not receive a response  
3 from Senator Paul, who also did not respond to the initial complaint in this matter. We received  
4 a joint response, on June 24, 2019, from Freedom for All Americans and RAND PAC. The joint  
5 response raises legal and factual arguments as to why the Commission erred in its Factual and  
6 Legal Analysis. In addition, it requests that the Commission dismiss the matter. Attached to the  
7 joint response is an affidavit from Douglass Stafford, RAND PAC's Executive Director. The  
8 seven-paragraph affidavit provides only limited information about the pre-candidacy expenses at  
9 issue, and does not include facts sufficient to conclude the investigation.

10           Attached for the Commission's approval on a 48-hour no objection basis are a Subpoena  
11 to Produce Documents and Order to Submit Written Answers directed to Freedom for All  
12 Americans and RAND PAC, a Deposition Subpoena directed to Mr. Stafford, on behalf of  
13 RAND PAC, and a Subpoena to Produce Documents and Order to Submit Written Answers  
14 directed to Senator Paul. The questions and document requests in the subpoenas seek additional  
15 information regarding the establishment and staffing of offices and the commission of polling  
16 and survey research by RAND PAC, and closely track the language of 11 C.F.R. § 110.2(l),  
17 which addresses the types of pre-candidacy expenses incurred by a leadership PAC which can, in  
18 certain situations, be converted to in-kind contributions. By determining each location where  
19 RAND PAC had offices, the activities undertaken by those offices, and Senator Paul's  
20 involvement with respect to the goods or services at issue, as well as the circumstances under  
21 which RAND PAC purchased polling and survey research, we will be able to determine which, if  
22 any, of the expenses constituted an in-kind contribution. The Deposition Subpoena seeks  
23 additional information from Mr. Stafford as his affidavit indicates that he has additional relevant  
24 information concerning the activities and staffing of RAND PAC that could assist in the  
25 investigation.

26           We recommend using compulsory process at this time because the allegations concern  
27 activity that took place in 2013, 2014, and 2015 and the statute of limitations has already begun  
28 to run in this matter. Further, as discussed above, it does not appear that all Respondents will act  
29 cooperatively. Accordingly, we request that the Commission approve the attached subpoenas on  
30 a 48-hour no objection basis.

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