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## CASE CLOSURE UNDER THE ENFORCEMENT PRIORITY SYSTEM

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Under the Enforcement Priority System, the Commission uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue. These criteria include, without limitation, an assessment of the following factors: (1) the gravity of the alleged violation, taking into account both the type of activity and the amount in violation; (2) the apparent impact the alleged violation may have had on the electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in potential violations of the Federal Election Campaign Act of 1971, as amended (the “Act”), and developments of the law. It is the Commission’s policy that pursuing relatively low-rated matters on the Enforcement docket warrants the exercise of its prosecutorial discretion to dismiss cases under certain circumstances, or to find no reason to believe that the Act was violated. The Office of General Counsel has scored MUR 7195 as a low-rated matter and has determined that it should not be referred to the Alternative Dispute Resolution Office.<sup>1</sup> For the reasons set forth below, the Office of General Counsel recommends that the Commission find no reason to believe that the Respondent violated the Act.

24 The Complaint makes numerous wide-ranging allegations involving election fraud, delegate  
25 rigging, and campaign infiltration by “paid Democratic operatives.”<sup>2</sup> Specifically, the Complainant

Complaint filed: Nov. 8, 2016. The Complaint was well as the Offices of Inspectors General of several

<sup>2</sup> Compl. at 1-2. The Complaint alleges that these “operatives” are paid by a group of donors he terms “Friends of Chelsea [Clinton].” The Complaint does not name these individuals, and also alleges that the group is “faking their data making billions in illegal stock gains and government contracts.”

1 maintains that Democratic donors and political operatives hired individuals to pose as Republicans in  
2 order to illegally acquire Republican delegate seats and block candidates, and to infiltrate the  
3 campaigns of Republican candidates in order to "shut down campaign offices."<sup>3</sup>

4 The Complaint also alleges that Democratic operatives paid Respondent Nicholas Rice-  
5 Sanchez to pose as Sarah Palin's Executive Director at her San Mateo County 2008 McCain-Palin  
6 Victory Center, and that Rice-Sanchez, a Democratic activist, and his associates embezzled funds  
7 from the McCain-Palin office and from a \$1,000 a plate fundraiser brunch held in October 2008.<sup>4</sup>

8 To the extent that any of the allegations fall under the Commission's jurisdiction, those  
9 allegations are speculative and, further, most are beyond the five-year statute of limitations.<sup>5</sup>  
10 Accordingly, the Office of General Counsel recommends that the Commission find no reason to  
11 believe that Nicholas Rice-Sanchez violated the Act or the Commission's regulations and close the  
12 file.

13 **RECOMMENDATIONS**  
14

- 15 1. Find no reason to believe that Nicholas Rice-Sanchez violated the Federal Election  
16 Campaign Act of 1971, as amended, or Commission's regulations with respect to the  
17 allegations in this matter;  
18  
19 2. Approve the appropriate letters; and  
20

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<sup>3</sup> Compl. at 2-3. The Complaint alleges that Democratic operatives have infiltrated both Donald Trump's campaign and Sarah Palin's political operations and that these "operatives" prevented Republican candidates from running against Kamala Harris in the 2016 California race for U.S. Senate. The Complainant attaches a list of Republican organizations and individuals, as well as attorneys and judges, that he names "Respondents," but does not discuss how they are related to the allegations. Compl. Attach. 1.

<sup>4</sup> *Id.* The Complainant also attaches articles referencing Nicholas Rice-Sanchez's conviction for embezzlement related to his position with the San Jose's Billy DeFrank LGBT Community Center in 2011. Compl. Attach. 4-6.

<sup>5</sup> See 28 U.S.C § 2462.

3. Close the file.


Lisa J. Stevenson  
Acting General Counsel


Kathleen M. Guith  
Associate General Counsel


3.29.17

Date

BY:

  
Stephen Gura  
Deputy Associate General Counsel

  
Jeff S. Jordan  
Assistant General Counsel

  
Wanda D. Brown  
Attorney

Attachment:  
Factual and Legal Analysis

**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Nicholas Rice-Sanchez MUR 7195

**I. INTRODUCTION**

This matter was generated by a Complaint making numerous wide-ranging allegations involving election fraud, delegate rigging, and campaign infiltration by "paid Democratic operatives."<sup>1</sup> It was scored as a relatively low-rated matter under the Enforcement Priority System, a system by which the Commission uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue.

**II. FACTUAL AND LEGAL ANALYSIS**

The Complaint maintains that Democratic donors and political operatives hired individuals to pose as Republicans in order to illegally acquire Republican delegate seats and block candidates, and to infiltrate the campaigns of Republican candidates in order to "shut down campaign offices."<sup>2</sup>

The Complaint also alleges that Democratic operatives paid Respondent Nicholas Rice-Sanchez to pose as Sarah Palin's Executive Director at her San Mateo County 2008 McCain-Palin Victory Center, and that Rice-Sanchez, a Democratic activist, and his associates embezzled

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<sup>1</sup> Compl. at 1-2. The Complaint alleges that these "operatives" are paid by a group of donors he terms "Friends of Chelsea [Clinton]." The Complaint does not name these individuals, and also alleges that the group is "faking their data making billions in illegal stock gains and government contracts."

<sup>2</sup> Compl. at 2-3. The Complaint alleges that Democratic operatives have infiltrated both Donald Trump's campaign and Sarah Palin's political operations and that these "operatives" prevented Republican candidates from running against Kamala Harris in the 2016 California race for U.S. Senate. The Complainant attaches a list of Republican organizations and individuals, as well as attorneys and judges, that he names "Respondents," but does not discuss how they are related to the allegations. Compl. Attach. 1.

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2 2008.<sup>3</sup>

3 To the extent that any of the allegations fall under the Commission's jurisdiction, those  
4 allegations are speculative and, further, most are beyond the five-year statute of limitations.<sup>4</sup>

5 Accordingly, the Commission found no reason to believe that Nicholas Rice-Sanchez violated  
6 the Act or the Commission's regulations and closed the file.

<sup>3</sup> *Id.* The Complainant also attaches articles referencing Nicholas Rice-Sanchez's conviction for embezzlement related to his position with the San Jose's Billy DeFrank LGBT Community Center in 2011. Compl. Attach. 4-6.

<sup>4</sup> *See* 28 U.S.C § 2462.