



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA ELECTRONIC AND FIRST CLASS MAIL

Charles R. Spies, Esq.
Clark Hill PLC
1001 Pennsylvania Avenue NW
Suite 1300 South
Washington, DC 20004
cspies@clarkhill.com

OCT 22 2018

RE: MUR 7276 (Right to Rise USA)

Dear Mr. Spies:

On October 11, 2018, the Federal Election Commission accepted the signed conciliation agreement you submitted on behalf of Right to Rise USA and Charles R. Spies in his official capacity as treasurer, in settlement of a violation of 52 U.S.C. § 30104(g), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Dominique Dillenseger".

Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

2018 OCT 19 PM 12:44

In the Matter of)
)
) MUR 7276
Right to Rise USA and Charles R. Spies)
in his official capacity as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by a *sua sponte* submission made to the Federal Election Commission (the "Commission") by Right to Rise USA and Charles R. Spies in his official capacity as treasurer ("Respondent" or the "Committee"). The Commission found reason to believe that Respondent violated 52 U.S.C. § 30104(g) of the Federal Election Campaign Act of 1971, as amended (the "Act").

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Right to Rise USA is an independent-expenditure-only committee that is registered with the Commission. Charles R. Spies is the Committee's treasurer.

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2. An independent expenditure is an expenditure that expressly advocates the election or defeat of a clearly identified federal candidate and “that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate’s authorized political committee, or their agents, or a political party committee or its agents.” See 52 U.S.C. § 30101(17).

3. Political committees must disclose their independent expenditures. See 52 U.S.C. § 30104(b)(4)(H)(iii); 11 C.F.R. § 104.3(b)(1)(vii).

4. A political committee that makes independent expenditures aggregating \$1,000 or more after the 20th day but more than 24 hours before a given election must file a report describing those expenditures within 24 hours. 52 U.S.C. § 30104(g)(1); 11 C.F.R. § 104.4(c).

5. A political committee that makes independent expenditures aggregating \$10,000 outside of that 20 day period, up to and including the 20th day, must file a report describing those expenditures within 48 hours. 52 U.S.C. § 30104(g)(2); 11 C.F.R. § 104.4(b)(2).

6. These reports must be filed within 24 hours or 48 hours, as applicable, “following the date on which a communication that constitutes an independent expenditure is publicly distributed or otherwise publicly disseminated.” 11 C.F.R. § 104.4(b), (c).

7. On January 18, 19, and 26, 2016, Respondent disbursed a total of \$9,655,949.00 in independent expenditures in support of a federal candidate in the 2016 Republican Presidential primary elections. On February 12, 2016, Respondent filed a 24-hour report disclosing a \$2,465,125 disbursement for a January 18, 2016, Iowa media buy; a 48-hour

report disclosing a \$2,200,000 disbursement for a January 18, 2016, nationwide media buy; a 48-hour report disclosing two disbursements (\$203,200 and \$1,905,898) for January 19, 2016, New Hampshire media buys; a 48-hour report disclosing a \$523,916 disbursement for a January 19, 2016, South Carolina media buy; a 24-hour report disclosing a \$1,866,948 disbursement for a January 26, 2016, New Hampshire media buy; and a 48-hour report disclosing a \$490,862 disbursement for a January 26, 2016, South Carolina media buy.

8. Respondent contends that all seven (7) disbursements for which reports were untimely filed were reflected on a single invoice, and further contends that the disbursements (\$9,655,949) represent a small percentage of all independent expenditures (\$86,817,478) paid by Respondent during the 2016 election cycle. Respondent also contends that the late filings resulted from an administrative oversight and that it filed these five (5) independent expenditure reports as soon as it became aware of the missed invoice, on February 12, 2016, though they were filed outside of the applicable 24- and 48-hour time periods.

V. Respondent violated 52 U.S.C. § 30104(g) by failing to timely file 24-Hour and 48-Hour Reports of independent expenditures.

VI. Respondent will take the following actions:

1. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Two Hundred Thousand Dollars (\$200,000), pursuant to 52 U.S.C.

§ 30109(a)(5)(A).

2. Respondent will cease and desist from violating 52 U.S.C. § 30104(g).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review

compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson
Acting General Counsel

BY: Kathleen M. Guith
Kathleen M. Guith
Associate General
Counsel for Enforcement

10/22/18
Date

FOR THE RESPONDENT:

Charles R. Spies
Charles R. Spies
Treasurer, in Official Capacity

October 10, 2018
Date