



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**VIA ELECTRONIC & FIRST-CLASS MAIL**

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Brad C. Deutsch, Esq.  
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1000 Potomac Street NW  
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Washington, DC 20007

**OCT 16 2019**

RE: MUR 7299  
Wexton for Congress  
Wexton for State Senate  
Jennifer Wexton

Dear Mr. Deutsch:

On December 7, 2017, the Federal Election Commission notified your clients, Jennifer Wexton, Wexton for Congress and Joan Kowalski in her official capacity as treasurer (“Federal Committee”), and Wexton for State Senate and Thomas Rock in his official capacity as treasurer (“State Committee”), of a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended (the “Act”). Specifically, the complaint alleged that after becoming a federal candidate, Ms. Wexton and the State Committee raised and spent funds outside of the Act’s limits and directed funds to the Federal Committee in violation of 52 U.S.C. § 30125(e)(1) and 11 C.F.R. § 110.3(d). Copies of the complaint were forwarded to your clients at that time. On January 16, 2018, the Commission received your response on behalf of your clients. After receiving your response, the Office of General Counsel (“OGC”) reviewed the matter and forwarded it for consideration by the Commission. On February 19, 2019, we informed you that this matter was under review by the Commission. The Commission has made no findings with respect to your clients but is presently considering this matter.

In the normal course of exercising its supervisory responsibilities in this matter, the Commission considered information contained in public disclosure reports filed by the Federal Committee and State Committee. Those reports show that after Ms. Wexton became a federal candidate, the State Committee made \$58,202 in disbursements, including two \$1,000 contributions accepted by the Federal Committee<sup>1</sup> and the

<sup>1</sup> See Wexton for Congress 2017 July Quarterly Report at 141 (July 15, 2017) (reporting receipt of a \$1,000 contribution from State Committee on June 15, 2017); Wexton for Congress 2018 April Quarterly Report at 395 (Apr. 15, 2018) (reporting receipt of another \$1,000 contribution from State Committee on Mar. 31, 2018); State Committee’s Virginia Disclosure Report Covering the Period from Jan. 1 – June 30,

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following 22 contributions to Virginia state and local candidates and state party committees totaling \$34,900:<sup>2</sup>

Date	Recipient	Amount
4/28/17	Ralph Northam for Governor	\$1,000
6/1/17	John Bell for Delegate	\$5,000
6/17/17	Virginia Young Democrats	\$250
6/30/17	Kathleen Murphy for Delegate	\$2,000
7/17/17	Friends of Danica Roem	\$1,000
7/18/17	Delaney for Delegate	\$1,000
7/24/17	Kathy Tran for Delegate	\$1,000
7/27/17	Reid for Delegate	\$1,000
8/15/17	Ayala for Delegate	\$1,000
8/15/17	Commonwealth Victory Fund	\$1,200
9/5/17	Fairfax County Democratic Committee	\$500
9/11/17	Friends of Justin Fairfax	\$500
9/21/17	Ralph Northam for Governor	\$2,500
10/1/17	Virginians for Mark Herring	\$1,000
10/23/17	Friends of Danica Roem	\$1,000
10/24/17	Delaney for Delegate	\$1,000
10/24/17	Reid for Delegate	\$2,000
10/27/17	Friends of Tia Walbridge	\$500
1/8/18	Virginia Legislative Black Caucus	\$100
1/9/18	Virginia Democratic Senate Caucus	\$10,000
2/24/18	Kathy Smith for Supervisor	\$100
3/31/18	Loudoun County Democratic Committee	\$1,250
	<b>Total</b>	<b>\$34,900</b>

The State Committee's disclosure reports also show that between January 1, 2016, and June 30, 2018, it received \$77,825 in itemized contributions.<sup>3</sup> These itemized contributions consisted of \$17,625 (22.6%) in contributions from sources that appear on

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2017 at 9 (reporting a \$1,000 contribution to Federal Committee on Apr. 20, 2017); State Committee's Virginia Disclosure Report Covering the Period from Jan. 1 – June 30, 2018 at 6 (reporting a \$1,000 contribution to Federal Committee on Mar. 17, 2018).

<sup>2</sup> See State Committee's Virginia Disclosure Report Covering the Period from Jan. 1 – June 30, 2017; State Committee's Virginia Disclosure Report Covering the Period from July 1 – Dec 31, 2017; State Committee's Virginia Disclosure Report Covering the Period from Jan. 1 – June 30, 2018. Other disbursements included, *inter alia*, expenditures for travel, office expenses, food, postage, and web hosting.

<sup>3</sup> See Table of State Committee Receipts (Attach. 1); State Committee's Disclosure Reports Covering the Period from Jan. 1, 2016, through July 30, 2018, <http://cfreports.sbe.virginia.gov/Committee/Index/4f45abed-9f50-e3111-8b11-984be103f032> ("State Committee Reports"). During the same time period, the State Committee received \$4,825 in unitemized and in-kind contributions. *Id.* Virginia requires committees to itemize contributions over \$100. Virginia Dept. of Elections, *Summary of Laws and Policies: Candidate Campaign Committees*, Ch. 3, p. 17, <https://www.elections.virginia.gov/Files/CandidatesAndPACs/LawsAndPolicies/CandidatesSummary.pdf> ("Virginia Campaign Committee Guide") (Sec. 3.3 stating "Contributors who have contributed an aggregate amount of more than \$100 to a committee during an election cycle . . . must be itemized on the committee's campaign finance report.").

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their face to be federally permissible (*i.e.*, individuals,<sup>4</sup> federal political committees, and partnerships); \$35,550 (45.7%) in contributions from sources that may be federally permissible (*i.e.*, LLCs and Virginia state PACs)<sup>5</sup>; and \$24,650 (31.7%) from sources that are not federally permissible (*i.e.*, corporations).<sup>6</sup>

If the Commission determines that the State Committee's disbursements to Virginia state and local candidates and state party committees were made using funds that did not comply with the Act's source and amount limitations, Ms. Wexton and the State Committee could be deemed to have violated 52 U.S.C. § 30125(e)(1)(B) by transferring or spending soft money in connection with a non-federal election other than Ms. Wexton's own Virginia State Senate election. Further, should the Commission determine that the State Committee made contributions or transfers to the Federal Committee, the State Committee and the Federal Committee could be deemed to have violated 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) by making and accepting, respectively, impermissible transfers in the form of direct contributions.

The Commission is providing your clients with an opportunity to supplement their prior submission by responding to this information. Any response on your part is purely voluntary. If the Commission chooses to consider this issue, it will also take into account any supplemental response that your clients may provide in determining whether to find reason to believe that they violated the Act. Should your clients elect not to submit a supplemental response, no adverse inference will be drawn from that decision.

If your clients choose to respond to this information, the Commission would appreciate such a response as soon as possible, but in any event, no later than 15 days after receipt of this letter. If you have any questions, please contact Ray Wolcott, the attorney handling this matter, at 202-694-1302.

Sincerely,



Charles Kitcher  
Acting Associate General Counsel  
for Enforcement

#### Attachment

##### Table of State Committee Receipts

<sup>4</sup> The State Committee's disclosure reports showed that all individual contributions it received during this time period were, in aggregate, within the Act's amount limitations.

<sup>5</sup> The State Committee's disclosure reports do not indicate whether the contributing LLCs are treated, for tax purposes, as partnerships or as corporations.

<sup>6</sup> The receipts included \$30,600 received after Wexton became a federal candidate. The \$30,600 includes: \$5,300 (17.3%) from individuals, partnerships, and federal committees registered with the Commission; \$13,900 (45.4%) from LLCs and Virginia state PACs; and \$11,400 (37.3%) from corporations.

## State Committee Receipts

Source Type	Source	Contrib. Date	Contrib. Amount
<b>Facially Permissible Funds</b>			
Federal PAC	Virginia Education Association Fund	5/10/2016	\$500.00
Federal PAC	Virginia Farm Bureau Federation AgPAC	5/10/2016	\$500.00
Federal PAC	Dominion Political Action Committee	5/23/2016	\$500.00
Federal PAC	Reed Smith PAC	5/23/2016	\$250.00
Federal PAC	HCA for Good Government PAC	7/28/2016	\$1,000.00
Federal PAC	Virginia Bankers Association PAC	8/2/2016	\$1,000.00
Federal PAC	Virginia AFL-CIO Political Expenditures Fund	9/20/2016	\$1,000.00
Federal PAC	American Resort Development Association-Resort Owners Coalition PAC	10/19/2016	\$1,000.00
Federal PAC	LKQ Corporation Employee Good Government Fund	10/27/2016	\$1,000.00
Federal PAC	Raytheon Political Action Committee	11/17/2016	\$1,000.00
Federal PAC	Virginia Natural Gas, Inc. Committee for Effective Government	12/13/2016	\$500.00
Federal PAC	Reed Smith PAC	5/9/2017	\$500.00
Federal PAC	LKQ Corporation Employee Good Government Fund	7/26/2017	\$500.00
Federal PAC	Virginia Farm Bureau Federation AgPAC	9/8/2017	\$500.00
Federal PAC	HCA for Good Government PAC	1/5/2018	\$1,000.00
Individual	Lawrence Baldwin	7/24/2016	\$50.00
Individual	Mary Kitchen	7/31/2016	\$100.00
Individual	Lawrence Baldwin	8/21/2016	\$50.00
Individual	Lawrence Baldwin	9/25/2016	\$50.00
Individual	Wes Callender	10/12/2016	\$100.00
Individual	Cate Magennis Wyatt	10/19/2016	\$125.00
Individual	Lawrence Baldwin	10/19/2016	\$50.00
Individual	Graham Burns	10/24/2016	\$500.00
Individual	Mary Tondreau	10/24/2016	\$200.00
Individual	Wes Callender	10/24/2016	\$100.00
Individual	Paula Tosini	3/8/2017	\$1,000.00
Individual	Graham Burns	6/5/2017	\$500.00
Individual	Paula Tosini	4/4/2018	\$800.00
Partnership	Christian & Barton, LLP	5/26/2016	\$250.00
Partnership	Toll Road Investors Partnership II, L.P.	11/22/2016	\$500.00
Partnership	DuPont Fabros Technology, LP	12/27/2016	\$1,000.00
Partnership	DuPont Fabros Technology, LP	9/8/2017	\$1,000.00
Partnership	Hunton & Williams LLP	12/5/2017	\$500.00
<b>Facially Permissible Total:</b>			<b>\$17,625.00</b>

## State Committee Receipts

Source Type	Source	Contrib. Date	Contrib. Amount
<b>Potentially Permissible Funds</b>			
LLC	FutureLaw, L.L.C.	5/10/2016	\$250.00
LLC	Premium Distributors of Virginia, LLC	10/24/2016	\$1,000.00
LLC	Brambleton Group LLC	12/8/2016	\$5,000.00
LLC	Alcalde & Fay	12/29/2016	\$500.00
LLC	FutureLaw, L.L.C.	12/5/2017	\$250.00
State PAC	Virginia Trial Lawyers PAC	1/6/2016	\$1,000.00
State PAC	VA Society of Anesthesiologists PAC	5/10/2016	\$500.00
State PAC	Virginia Automobile & Truck Dealers PAC	5/10/2016	\$250.00
State PAC	Virginia Manufactured & Modular Housing Association PAC	5/10/2016	\$250.00
State PAC	Virginia Sheriffs' Association PAC	5/10/2016	\$250.00
State PAC	Virginia State Police Association PAC	5/10/2016	\$150.00
State PAC	SunTrust Bank Mid-Atlantic PAC	5/16/2016	\$500.00
State PAC	Virginia Independent Auto Dealers PAC	6/21/2016	\$250.00
State PAC	Virginia Beverage Association PAC	7/10/2016	\$750.00
State PAC	Virginia Hospital Association PAC	7/26/2016	\$1,000.00
State PAC	Dulles Area Realtors Political Action Committee	7/28/2016	\$250.00
State PAC	McGuireWoods State PAC Fund	7/28/2016	\$250.00
State PAC	Metro Virginia PAC	7/28/2016	\$250.00
State PAC	Community Associations Institute Virginia PAC	8/9/2016	\$500.00
State PAC	Old Dominion Highway PAC	8/9/2016	\$250.00
State PAC	NVTC TECHPAC	8/16/2016	\$1,500.00
State PAC	Virginia Hospital Association PAC	8/18/2016	\$1,000.00
State PAC	Virginia Automobile & Truck Dealers PAC	10/21/2016	\$500.00
State PAC	Virginia Wine Wholesalers PAC	10/21/2016	\$1,500.00
State PAC	Virginia Beer Wholesalers Association PAC	10/24/2016	\$2,000.00
State PAC	Virginia Cable PAC	12/7/2016	\$500.00
State PAC	Virginia Health Care Association PAC	12/19/2016	\$500.00
State PAC	Virginia Trial Lawyers PAC	12/26/2016	\$1,000.00
State PAC	Virginia State Police Association PAC	4/25/2017	\$150.00
State PAC	Virginia Automobile & Truck Dealers PAC	4/26/2017	\$250.00

## State Committee Receipts

Source Type	Source	Contrib. Date	Contrib. Amount
State PAC	Virginia Sheriffs' Association PAC	4/26/2017	\$250.00
State PAC	Old Dominion Highway PAC	5/9/2017	\$500.00
State PAC	Virginia Cable PAC	5/10/2017	\$500.00
State PAC	Community Associations Institute Virginia PAC	5/25/2017	\$500.00
State PAC	Virginia Hospital Association PAC	9/7/2017	\$1,000.00
State PAC	Virginia Wine Wholesalers PAC	9/8/2017	\$1,500.00
State PAC	Virginia Beverage Association PAC	9/8/2017	\$750.00
State PAC	Virginia Automobile & Truck Dealers PAC	9/18/2017	\$1,750.00
State PAC	Virginia Association of Mutual Insurance Companies PAC	9/19/2017	\$500.00
State PAC	Engineering Companies of Virginia PAC	10/20/2017	\$500.00
State PAC	Truckers Political Action Committee of Virginia	12/5/2017	\$250.00
State PAC	Virginia Beer Wholesalers Association PAC	12/5/2017	\$2,500.00
State PAC	Virginia Coalition of Motorcyclists	12/5/2017	\$250.00
State PAC	Virginia Manufactured & Modular Housing Association PAC	12/5/2017	\$250.00
State PAC	Virginia Taxicab Association PAC	12/5/2017	\$500.00
State PAC	Virginia Health Care Association PAC	12/20/2017	\$1,000.00
State PAC	Virginia Natural Gas, Inc. Committee for Effective Government	1/3/2018	\$500.00
State PAC	Virginia Optometric Association PAC	1/5/2018	\$250.00
<b>Potentially Permissible Total:</b>			<b>\$35,550.00</b>

## State Committee Receipts

Source Type	Source	Contrib. Date	Contrib. Amount
<b>Facially Impermissible Funds</b>			
Corporation	Hefty Wiley & Gore, P.C.	5/16/2016	\$250.00
Corporation	Williams Mullen	5/16/2016	\$500.00
Corporation	Carmax Auto Superstores, Inc.	5/26/2016	\$250.00
Corporation	Transurban USA, INC	5/26/2016	\$500.00
Corporation	Va Assn for Commercial Real Estate	5/26/2016	\$250.00
Corporation	Wawa, Inc.	5/26/2016	\$250.00
Corporation	Comcast Corporation	6/10/2016	\$500.00
Corporation	Diageo North America, Inc.	6/10/2016	\$500.00
Corporation	The Doctors Company	6/21/2016	\$500.00
Corporation	Altria Client Services Inc.	7/5/2016	\$500.00
Corporation	Hewlett Packard Enterprise Co.	7/7/2016	\$250.00
Corporation	Alliance of Automobile Manufacturers	7/10/2016	\$500.00
Corporation	Virginia Land Title Association	7/10/2016	\$250.00
Corporation	Anheuser-Busch	8/4/2016	\$250.00
Corporation	Northern Virginia Association of Realtors	9/7/2016	\$500.00
Corporation	Tesla	9/9/2016	\$500.00
Corporation	Service Distributing Inc.	9/13/2016	\$1,000.00
Corporation	CareFirst BlueCross BlueShield	10/27/2016	\$500.00
Corporation	Norfolk Southern Corporation	11/2/2016	\$500.00
Corporation	AOL Inc.	11/3/2016	\$2,000.00
Corporation	Republic National Distributing Company	11/21/2016	\$750.00
Corporation	Anheuser-Busch	12/13/2016	\$250.00
Corporation	Maritime Issues Council	12/15/2016	\$1,000.00
Corporation	Virginia Apartment Management Association	12/27/2016	\$500.00
Corporation	Amazon.com	12/29/2016	\$500.00
Corporation	Hefty Wiley & Gore, P.C.	4/25/2017	\$250.00
Corporation	Williams Mullen	5/10/2017	\$500.00
Corporation	Norfolk Southern Corporation	5/15/2017	\$500.00
Corporation	Va Assn for Commercial Real Estate	5/17/2017	\$250.00
Corporation	Republic National Distributing Company	5/19/2017	\$750.00
Corporation	NGP VAN, Inc	5/22/2017	\$4,050.00
Corporation	Virginia Land Title Association	8/4/2017	\$500.00
Corporation	Alliance of Automobile Manufacturers	8/11/2017	\$500.00
Corporation	Amazon.com	8/30/2017	\$500.00
Corporation	Service Distributing Inc.	9/8/2017	\$1,000.00

## State Committee Receipts

Source Type	Source	Contrib. Date	Contrib. Amount
Corporation	Virginia Apartment Management Association	10/2/2017	\$100.00
Corporation	Kemper Consulting, Inc.	10/4/2017	\$500.00
Corporation	Micron Technology, Inc.	10/5/2017	\$500.00
Corporation	Maritime Issues Council	11/2/2017	\$1,000.00
Corporation	Anheuser-Busch	12/20/2017	\$500.00
<b>Impermissible Total:</b>			<b>\$24,650.00</b>