



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MAY 18 2018

Stephen C. Meyers, President
SCM Associates, Inc.
1283 Main Street
P.O. Box 254
Dublin, NH 03444

RE: MUR 7315

Dear Mr. Meyers:

The Federal Election Commission reviewed the allegations in your complaint received on January 25, 2018. On May 10, 2018, based upon the information provided in the complaint, and information provided by the respondents, the Commission decided to exercise its prosecutorial discretion to dismiss the allegations as to Allen Weh for Senate and Rebecca Sanchez in her official capacity as treasurer and close its file in this matter. Accordingly, the Commission closed its file in this matter on May 10, 2018. A copy of the Factual and Legal Analysis, which more fully explains the basis for the Commission's decision, is enclosed.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009).

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8).

Sincerely,

Lisa J. Stevenson
Acting General Counsel

BY: Jeff S. Jordan
Assistant General Counsel

Enclosure
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

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2
3 **RESPONDENTS:** Allen Weh for Senate and MUR 7315
4 Rebecca Sanchez in her official capacity as Treasurer
5

6 This matter was generated by a complaint alleging violations of the Federal Election
7 Campaign Act of 1971, as amended (“the Act”) and Commission regulations by Allen Weh for
8 Senate and Rebecca Sanchez in her official capacity as treasurer (“the Committee”). It was
9 scored as a low-rated matter under the Enforcement Priority System, by which the Commission
10 uses formal scoring criteria as a basis to allocate its resources and decide which matters to
11 pursue.

12 The Complaint alleges that the Committee owes the Complainant, SCM Associates, Inc.,
13 \$7,217.85 for direct mail services, and the Committee has not reported the debt.¹ The Response
14 states that the Committee had concerns over the services it received and did not consider some
15 of the bill to be a valid campaign debt.²

16 The Act and the Commission regulations require the political committee of a candidate
17 for federal office to report debts for expenditures in excess of \$500 as of the date on which the
18 debt is incurred.³ When there is a disputed debt, the political committee must report the disputed
19 debt if the creditor has provided something of value to the political committee.⁴ Until the

¹ Compl. at 1-2 (Jan. 25, 2018).

² Resp. at 1 (Feb. 26, 2018). The Committee previously reported paying SCM Associates, Inc. \$172,322.50 between March 1, 2014, and November 6, 2014. It is unclear from the available information whether any of these payments were for part of the services at issue, the remainder of which could be the amount invoiced.

³ 52 U.S.C. § 30104(b)(8); 11 C.F.R. §§ 104.3(d), 104.11(b).

⁴ 11 C.F.R. § 116.10(a).

1 dispute is resolved, the political committee must disclose any amounts paid to the creditor, any
2 amount the political committee admits it owes, and the amount the creditor claims is owed.⁵

3 The Committee has not disclosed any debts, disputed or otherwise, owed to Complainant
4 on its disclosure reports filed with the Commission.⁶ Since the Committee does not dispute that
5 it received something of value from SCM Associates, it should have reported the amount
6 reflected on the invoice as a disputed debt in its disclosure reports.

7 In furtherance of the Commission's priorities relative to other matters pending on the
8 Enforcement docket and the relatively modest amounts at issue, the Commission exercises its
9 prosecutorial discretion and dismisses the allegations as to Allen Weh for Senate and Rebecca
10 Sanchez in her official capacity as treasurer. *Heckler v. Chaney*, 470 U.S. 821, 831-32 (1985).

⁵ *Id.*

⁶ Based on the Committee's response and the invoice attached to the Complaint, it appears that the Committee did not report paying for, or reflect a dispute, on its disclosure reports for the amounts reflected in the invoice (\$7,217.85 plus accumulating interest through May 1, 2017). *See* Compl. at Ex. 1; Resp. at 1. Furthermore, the Committee did not indicate it was unaware of the services provided or the amount charged for the services. Commission regulations provide that where the exact amount of the debt or obligation is not known, the Committee shall report an estimate on its disclosure reports. 11 C.F.R. § 104.11(b).