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Lisa J. Stevenson  
Acting General Counsel  
Federal Election Commission  
1050 First Street, NE  
Washington, D.C. 20462

2018 JUN -1 AM 7:09

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MJR # 7400

**Re: Complaint Against Jim Francis and Jim Francis for Congress, and Nicole Francis as Treasurer**

Dear Ms. Stevenson,

This letter is intended to file a formal complaint, pursuant to 52 U.S.C. § 30109(a)(1), with the Federal Election Commission against Jim Francis, Jim Francis for Congress, and Nicole Francis as Treasurer for violations of the Federal Campaign Act of 1971, as amended (the "Act"), and Commission regulations, as outlined below:

### I. Facts

Jim Francis is a Democrat candidate for the House of Representatives in Louisiana's First Congressional District. His presumptive principal campaign committee, Jim Francis for Congress (the "Committee"), registered with the Commission on February 22, 2018, and listed Nicole Francis, the candidate's wife, as the Committee's treasurer.<sup>1</sup> As of the date of this Complaint, it does not appear that Jim Francis has filed his Statement of Candidacy, FEC Form 2, naming his principal campaign committee.<sup>2</sup>

On April 14, 2018, the Committee filed its 2018 First Quarter Report (the "Report"), purportedly disclosing its receipts and disbursements for the period January 1, 2018, through March 31, 2018. In the Report, the Committee disclosed receipts totaling \$8,454.00, disbursements totaling \$0.00, and debts and obligations totaling \$0.00 for the reporting period. The Report also revealed that the Committee crossed the \$5,000 threshold to trigger candidacy as early as March 29, 2018. Jim Francis signed the Report.<sup>3</sup>

### II. Legal Standard

Under the Act, all political committees must file periodic reports with the Commission that disclose all contributions received and disbursements made during the reporting period. 52 U.S.C. § 30104(b)(2), (4). The report must be signed by the treasurer. 52 U.S.C. § 30104(a)(1).

Commission regulations also require all candidates to file a statement of candidacy within 15 days of becoming a candidate. 11 C.F.R. § 101.1(a). An individual becomes a candidate when he or she raises or spends more than \$5,000 in contributions or expenditures. 11 C.F.R. § 100.3(a).

<sup>1</sup> See FEC Form 1, Jim Francis for Congress (attached as Exhibit 1).

<sup>2</sup> [https://www.fec.gov/data/candidates/?election\\_year=2018&office=H&state=LA&district=01](https://www.fec.gov/data/candidates/?election_year=2018&office=H&state=LA&district=01).

<sup>3</sup> See 2018 First Quarter Report, Jim Francis for Congress (Apr. 14, 2018) (attached as Exhibit 2).

### III. Discussion

Based on the Committee's filings and its activity during this time period, it appears that the Committee violated the Act and Commission regulations by failing to properly report its disbursements. As discussed above, the Committee reported exactly zero disbursements for the first quarter of 2018, but publicly available information shows that the Committee was actively campaigning during this period, and almost certainly incurred some costs associated with that campaigning. For instance, a review of publicly available information shows that the website domain jimfrancisforcongress.com was registered on February 22, 2018, presumably by the Committee.<sup>4</sup> There must have been an expense to register that domain, but no such expense was reported.<sup>5</sup> Likewise, the Committee did not report any disbursement for the creation of its website despite it having the appearance of a professionally-designed website and having a prominently-displayed disclaimer stating "Paid for by Jim Francis for Congress."<sup>6</sup> According to the Committee's Report, however, it didn't pay for anything.

The Committee's website contains a link to a donation page run by the fundraising company ActBlue.<sup>7</sup> According to its website, ActBlue charges a 3.9% processing fee for contributions made through its platform.<sup>8</sup> However, the Committee disclosed no such fees in the Report despite disclosing \$2,054 in unitemized, i.e., small, contributions.<sup>9</sup> If even one of those unitemized contributions were made through ActBlue, there would have been a reportable transaction fee. It seems unlikely that out of the \$2,054 the Committee received in unitemized contributions, none were made through its lone donation portal. Taken together with the other activities for which the Committee allegedly incurred no costs, the unlikelihood approaches impossibility.

Also absent from the Committee's disbursements are the normal expenses every campaign incurs, including staff salaries, rent, travel, advertising, telephones, office supplies and equipment, fundraising, yard signs (which are available by request on the Committee's website<sup>10</sup>), and the myriad other things one needs when running for Congress.

<sup>4</sup> See Exhibit 3, domain registration information page. The Committee lists jimfrancisforcongress.com as its official website in its Statement of Organization, which was filed the same day the domain was registered. See Exhibit 1.

<sup>5</sup> Or, alternatively, if another person, including Mr. Francis, paid for the cost of registering the domain, those costs should have been reported as in-kind contributions to the Committee. See 11 C.F.R § 100.52(d). Any in-kind contribution received by a committee must be reported as an operating expenditure in addition to being reported as a contribution received. *Id.* § 104.13(a).

<sup>6</sup> <http://www.jimfrancisforcongress.com>.

<sup>7</sup> <https://secure.actblue.com/donate/jim-francis-for-congress-1>.

<sup>8</sup> <https://secure.actblue.com/content/campaign-faq>.

<sup>9</sup> Even a cursory search of the Commission database reveals numerous disbursements, ranging from a few to hundreds of dollars, from similar committees to ActBlue for "merchant fees," "service fees," or "credit card processing fees" during the reporting period, but again, the Committee reported none.

<sup>10</sup> <http://www.jimfrancisforcongress.com/request-a-sign/>.

Indeed, the only logical possibility is that the Committee did not properly report its disbursements, debts and obligations, or in-kind contributions.

The Committee's other violations shed further doubt on the accuracy of the Report. As mentioned above, the Report was not signed by the Committee's treasurer, who is required to authorize expenditures and keep records of receipts and disbursements, but instead by Jim Francis. This is a violation of the Act. Additionally, Francis has never filed a Statement of Candidacy despite crossing the \$5,000 raising or spending threshold as least early as March 29, 2018. His failure to file a Statement of Candidacy within 15 days of crossing that threshold is a violation of Commission regulations.<sup>11</sup>

#### IV. Requested Action

Jim Francis, Jim Francis for Congress, and Nicole Francis have demonstrated a disregard for the standards and requirements established by Congress and enforced by the Commission. The public deserves to know how and when Jim Francis is spending his campaign funds. Therefore, I respectfully request that the Commission immediately open an investigation into these violations and that Jim Francis, Jim Francis for Congress, and Nicole Francis be enjoined from further violations and fined the maximum amount permitted by law.

Sincerely,

  
\_\_\_\_\_  
Kim Carver

Mandeville, Louisiana 70471

SUBSCRIBED AND SWORN to before me this 1<sup>st</sup> day of May, 2018

  
\_\_\_\_\_  
Notary Public

My Commission expires:

with life

**Karla Kay Smith**  
**Notary Public**  
 **parish of Jefferson, State of La**  
**My Commission is for Life**  
**Notary ID 49648**

<sup>11</sup> Mr. Francis made public statements on the Committee's Facebook page announcing his candidacy as early as March 1, 2018. See Exhibit 4, Jim Francis for Congress Facebook post (Mar. 1, 2018).