



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AUG 31 2018

Elmer Bowman

Red Lion, PA 17356

RE: MUR 7402

Dear Mr. Bowman:

The Federal Election Commission reviewed the allegations in your complaint received on June 4, 2018. On August 30, 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 Scott Wallace for Congress and Tom Taft in his official capacity as treasurer and Henry Scott Wallace, and close its file in this matter. Accordingly, the Commission closed its file in this matter on August 30, 2018. A copy of the General Counsel's Report, 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

A handwritten signature in black ink, appearing to read "Jeff S. Jordan", written over a circular stamp or mark.

BY: Jeff S. Jordan
Assistant General Counsel

Enclosure
General Counsel's Report

BEFORE THE FEDERAL ELECTION COMMISSION

**ENFORCEMENT PRIORITY SYSTEM
DISMISSAL REPORT**

MUR: 7402

Respondents: Scott Wallace for Congress
and Tom Taft, as Treasurer
("the Committee")¹
Henry Scott Wallace

Complaint Receipt Date: June 4, 2018

Response Date: June 22, 2018

EPS Rating:

Alleged Statutory 52 U.S.C. §§ 30101(2), (9)(A); 30102(e)(1); 30103(a); 30104(b)
Regulatory Violations: 11 C.F.R. §§ 100.3; 101.1(a); 102.1(a); 104.3(b); 104.11(b)

The Complaint alleges that Respondents failed to timely file a Statement of Organization because it was filed on the same day that the Committee began airing a television ad, January 24, 2018. Complainant further notes that the Committee disclosed a disbursement of \$35,671.34 on February 7, 2018, for "TV Advertising Production," and alleges that it is unlikely that the television ad could have been fully produced within 15 days. The Committee asserts that it paid for the video production on February 7, 2018, and did not raise or spend more than \$5,000 until January 26, 2018, after the Statement of Organization was filed.²

Based on its experience and expertise, the Commission has established an Enforcement Priority System using formal, pre-determined scoring criteria to allocate agency resources and assess whether particular matters warrant further administrative enforcement proceedings. These criteria include (1) the gravity of the alleged violation, taking into account both the type of activity

¹ Henry Scott Wallace is a 2018 candidate for the U.S. House of Representatives for Pennsylvania's First District. His principal campaign committee is Scott Wallace for Congress.

² Wallace's Statement of Candidacy and the Committee's Statement of Organization were filed on January 24, 2018. Contrary to Respondent's assertion (Resp. at 1), the Committee made an expenditure when it entered into a written contract, promise, or agreement to pay for the video's production. See 52 U.S.C. § 30101(9)(A). Since the television ad began to air on January 24, 2018, the Committee likely incurred an obligation before January 24, 2018. However, there is no available information about when the Committee entered into an agreement to pay for the video production, so it is not possible to determine if the Statements of Candidacy and Organization were filed late.

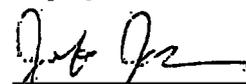
and the amount in violation; (2) the apparent impact the alleged violation may have had on the electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in potential violations and other developments in the law. This matter is rated as low priority for Commission action after application of these pre-established criteria. Given that low rating, the likelihood that any delay in filing the Statements of Candidacy and Organization was short, and that the Committee reported the video production expenditure in its 2018 April Quarterly Report, we recommend that the Commission dismiss the Complaint consistent with the Commission's prosecutorial discretion to determine the proper ordering of its priorities and use of agency resources. *Heckler v. Chaney*, 470 U.S. 821, 831-32 (1985). We also recommend that the Commission close the file as to all Respondents and send the appropriate letters.

Lisa J. Stevenson
Acting General Counsel

Kathleen M. Guith
Associate General Counsel

8.15.18
Date

BY: 
Stephen Gura
Deputy Associate General Counsel


Jeff S. Jordan
Assistant General Counsel


Kristina M. Portner
Attorney