MUR743700001

OFFICE OF BEFORE THE GENERAL COUNSEL

FEDERAL ELECTION COMMISSION 24 M 9: 40

In the Matter of:

Randy Bryce for Congress

MUR 7437

COMPLAINT

Randy Bryce ("Bryce") and Randy Bryce for Congress (the "Campaign") violated the Federal Election Campaign Act by converting Campaign funds to Bryce's personal use when at least \$7,776.73 of the Campaign's funds were used to pay for personal legal fees and a judgment against Bryce for a personal debt he owed his former-girlfriend —13 years before Bryce became a candidate.

Legal Standard

- 1. This complaint is filed with the Federal Election Commission ("FEC") in accordance with the provisions of 52 U.S.C. §30109(a)(1) in the belief that Bryce and the Campaign violated the Federal Election Campaign Act of 1971, as amended, 52 U.S.C. §§ 30101-45 (the "Act"), and related FEC regulations, 11 C.F.R. §§113 et. seq.
- 2. Under Federal law, a candidate is prohibited from converting his authorized committee's funds to "personal use." 1
- 3. "Personal use" is defined as the use of campaign funds "to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign."²
- 4. The use of campaign funds to pay for legal expenses that are not directly related to campaign activity would be a conversion for personal use.³
- 5. In addition, legal expenses associated with a divorce or charges of driving under the influence of alcohol are personal, rather than campaign related, and therefore, cannot be paid for with campaign funds.⁴

Statement of Facts

⁴ AO 2009-12 (Coleman for Senate).

¹ 52 U.S.C. § 30114 (b); 11 C.F.R. §§ 113.2.

² 52 U.S.C. § 30114(b)(2); 11 C.F.R. § 113.1(g).

AO 2003-17 (Treffinger for Senate); see also AO 2009-12 (Coleman for Senate).

- 6. On September 24, 2004, Rhonda Slechta, (then named Rhonda Nessler), Bryce's former-girlfriend, sued Bryce, in the Milwaukee County Circuit Court for \$1,776.99.⁵ Ms. Slechta sued Bryce for cash she gave him to buy a car.⁶
- 7. On October 18, 2004, the Milwaukee County Circuit Court entered a judgment against Bryce in favor of Ms. Nessler for \$1,776.⁷
- 8. By 2017, the amount owed by Bryce, with interest, grew to more than \$4,200.8
- 9. Bryce admitted that he personally owed Ms. Nessler the judgment amount. Bryce said: "I'm not proud of the fact I've had to borrow money from people who were kind enough to help me out when money was tight, like Rhonda [Slechta]."9
- 10. Thirteen years after the judgment was entered, Bryce filed his Statement of Candidacy with the FEC as a candidate for the U.S. House of Representatives Wisconsin's 1st Congressional District.¹⁰
- 11. After a newspaper story ran about Bryce's child support lien, Ms. Slechta contacted the paper about the debt Bryce owed her. After the Campaign was asked to respond to Ms. Slechta's claim, a "Democratic Party attorney contacted" her "to say she would be getting her money, plus interest." 11
- 12. Over the Thanksgiving 2017 holiday weekend, Ms. Slechta received a check payable to her from the law firm Halling & Cayo for \$4,245.73 dated November 22, 2017. 12
- 13. A few days after Ms. Slechta received the payment from Halling & Cayo, Milwaukee County Court records show that the judgment against Bryce was satisfied in full as of December 8, 2017.¹³
- 14. On January 30, 2018, the Campaign made a payment of \$7,703.73 to Halling & Cayo, for "Legal Services." ¹⁴
- 15. In sum, Campaign funds were used to pay Halling & Cayo \$7,703.73; Halling & Cayo paid \$4,245.73 to Ms. Slechta; and, court records now show that the 2004 personal judgment against Bryce is satisfied in full.

Conclusion

⁵ Case Summary, Rhonda Nessler vs. Randall Bryce, Case No. 2004031013 is attached as Exhibit 1.

⁶ See Bice, D. (2017, November 28) Paul Ryan Challenger Randy Bryce Finally pay off debt – 15 years late. Retrieved from https://www.jsonline.com/story/news/investigations/daniel-bice/2017/11/28/bice-paul-ryan-challenger-randy-bryce-finally-pays-off-debt-15-years-late/897786001/. This Milwaukee Journal Sentinel article that is attached as Exhibit 2.

⁷ Exhibit 1.

⁸ Exhibit 2.

⁹ Exhibit 2.

¹⁰ Randall Bryce, FEC Statement of Candidacy (June 19, 2017), is attached as Exhibit 3.

¹¹ Exhibit 2.

¹² Exhibit 4.

¹³ Exhibit 1.

¹⁴ Randy Bryce for Congress, April Quarterly Report (Jan. 1 – Mar. 31, 2018), p.2996, is attached as Exhibit 5.

In 2018, Bryce converted \$7,703.73 of Campaign funds to his personal use to pay a 2004 personal judgment against him and for legal fees related to satisfying the judgment in violation of 52 U.S.C. §30114(b).

I respectfully request that the Commission find reason to believe that there is a violation of the Act.

Respectfully submitted:

By: Cathy Myers

State of Wisconsin

County of Idacine

Signed and sworn to before me this day of Tuly 2018

Notary Public

My commission expires: 06/05/18

Sarah Lizama Notary Public State of Wisconsin

Milwaukee County Case Number 2004SC031013 Rhonda Nessler vs. Randall Bryce

Case summary

Filing date

09-24-2004

Case type Small Claims Case status

Closed

Class code description

Sm Claim, Claim Under \$ Limit

Responsible official Liska, Frank J.

Party summary

Party type

Party name

Party status

Plaintiff Defendant

Nessler, Rhonda

Bryce, Randall

Civil Judgment(s)

Type

Debtor name Multiple

Amount Satisfaction Judgment

Date

status

Judgment for money

Bryce, Randall No

debtors

\$1,776.99 Full

Full satisfaction

12-08-2017

Parties

Plaintiff: Nessler, Rhonda

Date of birth

Sex

Race

Address (last updated 09-29-2004)

1312 Lakeview Ave, South Milwaukee, WI 53172

Defendant: Bryce, Randall

Date of birth

Sex

Race

Address (last updated 09-29-2004) 5300 S 24 St, Milwaukee, WI 53221

Court record

Date ▼ Event Court official

Court reporter

Amount

12-08-2017 Full satisfaction

10-22-2004 Notice of entry of judgment

Date ▼ Event Court official Court reporter Amount

10-18-2004 Default judgment Liska, Frank J.
10-18-2004 Return date Liska, Frank J.

Additional text:

Plaintiff in court pro se. Defendant NOT in court. Default Judgment granted to Plaintiff in the amount of \$1658.49 plus costs with immediate entry of Judgment.

09-24-2004 Summons and complaint

Civil judgment details

Judgment for money

County Case number Caption
Milwaukee 2004SC031013 Caption
Rhonda Nessler vs. Randall
Bryce

Judgment/lien date Total amount Type of tax 10-18-2004 \$1,776.99

Warrant number Date and time docketed Service/event date

Property/remarks

Civil judgment events

Date Type Amount

12-08-2017 Full satisfaction

Judgment parties

Party Name Dismissed Status Address Attorney type

Debtor Randall Bryce No Active 5300 S 24 St. Milwaukee WI 53221

Debtor Randall Bryce No Active 5300 S 24 St, Milwaukee, WI 53221

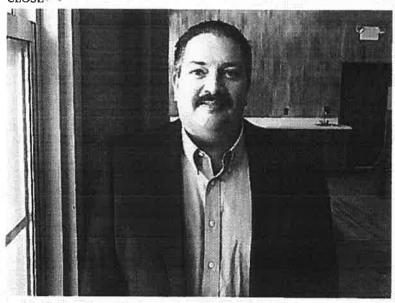
Creditor Rhonda No Nessler Active 1312 Lakeview Ave, South Milwaukee, WI 53172

Costs / amounts

DescriptionAmountJudgment amount\$1,658.49Service\$32.00Small claims filing fee\$86.50

Bice: Paul Ryan challenger Randy Bryce finally pays off debt - 15 years late

CLOSE



Randy Bryce, a Democrat, is seeking to challenge Republican House Speaker Paul Ryan of Janesville next year. (Photo: Bill Glauber / Milwaukee Journal Sentinel)

All it took for Randy Bryce to make good on a couple of old debts was a run for Congress.

First, Bryce — the Democrats' best hope for knocking off House Speaker **Paul Ryan** — cleared a lien on his property by paying \$1.257 in back child support in August.

Now, the 52-year-old ironworker has just satisfied a 2004 court judgment by paying off an old loan of \$1,776. With interest, the sum exceeded \$4,200.

"I sincerely apologize to her for the delay," said Bryce, known as the "Iron Stache" to his 169,000 Twitter followers, "and am happy that I am able to make this right."

Bryce is referring to **Rhonda Slechta**, whose last name was Nessler when the two were dating about 15 years ago, long before Bryce exploded on the national political scene with a viral campaign ad urging the Republican House speaker to swap jobs with him.

Back in 2002, Bryce was a down-on-his-luck ironworker who was just emerging from bankruptcy. Slechta lent Bryce enough cash to buy a used car from a neighbor so he could get to work regularly. She said she didn't know at the time that he was twice ticketed for driving with a revoked license.

The pair soon broke up, and Bryce never paid back the sum.

"I helped Randy when he was making horrible life choices and, in return, he screwed me over," Slechta said last week. "I was — and still am — a single working mother who works hard to pay my mortgage, send my son to school and always pay my bills."

Slechta said she tried working with Bryce for months to get her money back.

She took the matter to small claims court. Because Bryce didn't show up, a Milwaukee County judge granted Slechta a default judgment in 2004. She took the paperwork to Bryce's mother, with whom Bryce was then living.

Slechta contacted a collection agency, which turned her down. It also proved too costly for her to try to garnish his wages.

"My only hope for repayment was maybe someday Randy needed credit and would have to pay what he owes me," said Slechta, who works at **Great Lakes Neurosurgical Associates**.

Bryce didn't dispute her version of events.

"I've been very open about the fact that like so many others just trying to get by, at times I was downright broke," he said. "I'm not proud of the fact I've had to borrow money from people who were kind enough to help me out when money was tight, like Rhonda."

More: Bice: Candidate Randy Bryce paid off delinquent child support after entering race against Paul Ryan

More: Randy Bryce tweet on Ivanka Trump draws criticism from Democratic foe Cathy Myers

More: From hard-hat worker to political hardball, Randy Bryce challenges Paul Ryan for Congress

Having all but written off the debt, Slechta was stunned to see Bryce featured in the campaign ad portraying him as a hard-working ironworker running for Congress.

Slechta then reached out to the Journal Sentinel after a column ran on Bryce's child support lien and other financial issues.

Court records show Bryce was making \$76,000 annually a few years ago. For his child-support payments, he is said to be earning about \$50,000 a year, though he's acknowledged he has not worked since launching the campaign.

"This has nothing to do with my political views," Slechta said, declining to give her party preference. "I can't vote for or against Randy" because he's outside her district.

Much to her surprise, a Democratic Party attorney contacted Slechta last week to say she would be getting her money, plus interest. The call came after Bryce's campaign was asked by a reporter to respond to Slechta's remarks on the loan.

Slechta received a check for \$4,245 over the Thanksgiving holiday.

"I was thrilled," Slechta said Monday. "I expected nothing."

Contact Daniel Bice at (414) 224-2135 or dbice@jrn.com. Follow him on Twitter @DanielBice or on Facebook at fb.me/daniel.bice.

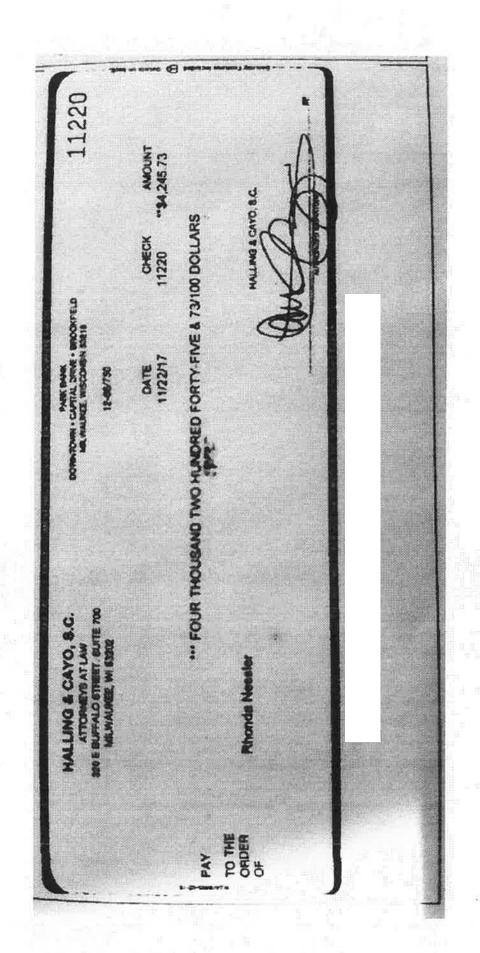
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FEC FORM 2 STATEMENT OF CANDIDACY

PAGE 1 / 1

 (a) Name of Candidate (in full) Bryce, Randy, , , 									
m, 300; , in, in, i, i									
(b) Address (number and stree 4940 Chester Lane #7	Address (number and street)			Candidate's FEC Identification Number H8WI01123					
(c) City, State, and ZIP Code				3. Is This		New	_	-	Amende
Racine WI 53402			Statement	X	(N)	OR		(A)	
. Party Affiliation	5. Office Sought		6. State & Dis	trict of Candidate			700		2000
DEMOCRATIC PARTY	House		WI	01		(5)			
	DESIGNATION OF	PRINCIPAL	. CAMPAIG	N COMMITT	EE		The same		
I hereby designate the following	g named political committee	as my Principal	Campaign Com		2018 ar of e	lection	electio	n(s).	
NOTE: This designation should	be filed with the appropriate	office listed in	the instructions.						
(a) Name of Committee (in full) RANDY BRYCE	FOR CONGRESS	3							
(b) Address (number and street PO BOX 44404	9)								
(c) City, State, and ZIP Code						-	-	-	
RACINE			W	53404					
		Joint Fundraisi	ng Representati	ves)		expend	d funds (on be	alf of my
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RECEIVED FEC MAIL CENTER 04/13/2018 19:04 Image# 201804139108064164 PAGE 1/3122 2018 JUL 23 PM 12: 18 REPORT OF RECEIPTS FEC AND DISBURSEMENTS FORM 3 For An Authorized Committee Office Use Only NAME OF TYPE OR PRINT Y Example: If typing, type 12FE4M5 COMMITTEE (In full) over the lines. Randy Bryce for Congress PO Box 44404 ADDRESS (number and street) Check if different than previously reported. (ACC) Racine 53404 CITY A STATE A ZIP CODE A FEC IDENTIFICATION NUMBER ▼ STATE ▼ DISTRICT C00847537 IS THIS NEW AMENDED REPORT (N) OR (A) TYPE OF REPORT (Choose One) (b) 12-Day PRE-Election Report for the: (a) Quarterly Reports: Primary (12P) General (12G) Runoff (12R) April 15 Quarterly Report (Q1) Convention (12C) Special (12S) July 15 Quarterly Report (C/2) in the October 15 Quarterly Report (Q3) Election on State of January 31 Year-End Report (YE) 30-Day POST-Election Report for the: General (30G) Runoff (30R) Special (30S) Termination Report (TER) in the Election on State of 01 2018 Covering Period 01 2018 through 03 31 I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete. Tate, John, , , It Type or Print Name of Treasurer Tate. John. . . 11 2018 Signature of Treasurer [Electronically Flied] Date NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 52 U.S.C. §30109. Office Use FEC FORM 3 Only (Revised 05/2016)

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PAGE 2996 OF 3122 FOR LINE NUMBER: SCHEDULE B (FEC Form 3) Use separate schedule(s) (check only one) ITEMIZED DISBURSEMENTS for each category of the X 17 195 Detailed Summary Page 20: Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee. NAME OF COMMITTEE (In Full) Randy Bryce for Congress Full Name (Last, First, Middle Initial) A. Halling & Cayo Date of Disbursement Mailing Address 320 E Buffalo St 30 2018 Ste 700 City State Zip Code **FEC Identification Number** Milwaukee WI 53202-5837 Purpose of Disbursement Legal Services Candidate Name Category/ Amount of Each Disbursement this Period Туре Office Sought: House Disbursement For: 2018 7703.73 Senate X Primary General Transaction ID: VTQ269Q8E29 President Other (specify) Memo Item District: Full Name (Last, First, Middle Initial) Hansen, Robert, , , Date of Disbursement ^D 30 Mailing Address 3328 W Vogel Ave 2018 City State Zip Code FEC Identification Number Milwaukee WI 53221-3110 Purpose of Disbursement Salary C Candidate Name Amount of Each Disbursement this Period Category/ Type Office Sought: Disbursement For: 2018 House 1568.33 Primary Senate General Transaction ID: VTQ269Q8GB3 President Other (specify) Memo Item District: Full Name (Last, First, Middle Initial) c. Hansen, Robert, , , Date of Disbursement Mailing Address 3328 W Vogei Ave 15 City State Zip Code FEC Identification Number Milwaukee W 53221-3110 Purpose of Disbursement Reimbs - Office Supplies, Mileage Candidate Name Amount of Each Disbursement this Period Category/ Type Office Sought: Disbursement For: 2018 House Primary Senate General Transaction ID: VTQ269QK5P2 President Other (specify) Memo Item State: District: SUBTOTAL of Disbursements This Page (optional)..... 9819.56 TOTAL This Period (last page this line number only).....