FEDERAL ELECTION COMMISSION
Washington, D.C. 20463

December 19, 2022

VIA EMAIL
bkappel@harmoncurran.com

Brett G. Kappel, Esq.
Harmon, Curran, Spielberg & Eisenberg, LLP
1725 DeSales Street, N.W., Suite 500
Washington, D.C. 20036

RE: MUR 7437
Randy Bryce
Randy Bryce for Congress

Dear Mr. Kappel:

On December 14, 2022, the Federal Election Commission ("Commission") accepted the signed conciliation agreement, including a $6,000 civil penalty submitted on your clients' behalf, in settlement of a violation of 52 U.S.C. § 30116(f), a provision of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 104.3(a), (b). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the portion of the penalty attributable to Randy Bryce for Congress must be paid in full within 30 days of the conciliation agreement's effective date of December 14, 2022. The first installment payment of Mr. Bryce's portion of the penalty must also be made within 30 days of the effective date, with the remaining installments made as agreed upon in the conciliation agreement. If you have any questions, please contact me at (202) 694-1597.

Sincerely,

Claudio J. Pavia
Deputy Associate General Counsel
for Enforcement

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 7437
Randy Bryce for Congress and John Tate, III,	)	
in his official capacity as treasurer	)	
Randy Bryce	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint filed with the Federal Election Commission (the "Commission"). The Commission found reason to believe that Randy Bryce for Congress and John Tate, III, in his official capacity as treasurer (the "Committee") and Randy Bryce (collectively, "Respondents") violated 52 U.S.C. § 30114(b)(1).

NOW, THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over Respondents and the subject matter of this proceeding, and this Agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this Agreement with the Commission.

IV. The pertinent facts and law in this matter are as follows:

Facts

1. On June 19, 2017, Randy Bryce filed a Statement of Candidacy for the 2018 election for Wisconsin's First Congressional District seat. The Committee is his authorized campaign committee.

2. In November 2017, Respondents became aware of a 2004 civil judgment against Bryce associated with an unpaid personal debt. After learning of the judgment, Bryce contacted the law firm Halling & Cayo (the "Law Firm"), which had been providing legal services to the Committee, and asked the Law Firm to confirm the judgment and help him to resolve it. The Law Firm confirmed the existence of the judgment, determined that Bryce owed $4,245.73 to cover the original judgment plus interest, and paid the debt on November 22, 2017.

3. On January 30, 2018, the Committee paid the Law Firm $7,703.73 to cover both the November 22, 2017, payment and the firm's services related to confirming and satisfying the judgment. This payment was made using campaign funds.

4. In preparing their 2018 April Quarterly Report, Respondents realized that due to the personal nature of the debt, the Committee paid the Law Firm in error, and the Law Firm placed the $7,703.73 into an escrow account as a retainer to be applied to future campaign-related legal services. The Committee then disclosed the payment on its 2018 April Quarterly Report as a disbursement for "Legal Services." The Law Firm has continued to provide legal services to the Committee and has billed those services against the escrow funds. Bryce then paid the Law Firm $7,703.73 using personal funds for the firm's services related to confirming and satisfying the judgement.

5. Bryce contends that he was not aware that the Committee staff had mistakenly used campaign funds to pay his personal legal expenses until the campaign's accounting firm brought the mistaken payment to his attention. Bryce contends that he immediately took steps to correct the error.

Law

6. The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a contribution accepted by a candidate may be used by the candidate for otherwise authorized expenditures in connection with the candidate's campaign for Federal office. 52 U.S.C. § 30114(a)(1). A contribution shall not be converted by any person to personal use. 52 U.S.C. § 30114(b)(1). A contribution shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office. 52 U.S.C. § 30114(b)(2); 11 C.F.R. § 113.1(g)(1).

V. Respondents committed the following violations:

1. Bryce and the Committee violated 52 U.S.C. § 30114(b)(1) by converting $7,703.73 in campaign funds to Bryce's personal use.

VI. Respondents will take the following actions:

1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Six Thousand Dollars ($6,000), pursuant to 52 U.S.C. § 30109(a)(5)(A). In ordinary circumstances involving the conversion of campaign funds to personal use, the Commission would require the candidate to pay half of the civil penalty. The Commission is taking into account, however, that Randy Bryce submitted documentation to the Commission demonstrating that financial hardship prevents him from paying the full civil penalty. The Commission regards Mr. Bryce's submission as a material representation, and in light of this representation, the Committee will pay Four Thousand Five Hundred Dollars ($4,500) of this amount and Randy Bryce will pay the remaining One Thousand Five Hundred Dollars ($1,500). The civil penalty will be paid as follows:

a. The Committee will pay Four Thousand Five Hundred Dollars ($4,500) to the Commission no more than thirty (30) days from the execution of this Agreement by all parties.

b. Randy Bryce will pay Five Hundred Dollars ($500) to the Commission no more than thirty (30) days from the execution of this Agreement by all parties. Thereafter, he shall pay the remaining civil penalty in two (2) installments of Five Hundred Dollar ($500); each due within 90 days of the due date of the previous payment.

2. Respondents will cease and desist from violating of 52 U.S.C. § 30114(b)(1).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this Agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This Agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this Agreement becomes effective to comply with and implement the requirements contained in this Agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written Agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson
Acting General Counsel

BY: Charles Kitcher Digitally signed by Charles Kitcher Date: 2022.12.15 11:21:50 -05'00' 12/15/22

Charles Kitcher
Associate General Counsel
for Enforcement

Date

FOR THE RESPONDENTS:

Brett Kappel 8/24/22

Name: Brett G. Kappel

Date

Position:
Counsel for Randy Bryce for Congress
and John Tate, III, in his official capacity as
treasurer, and Randy Bryce