

**BEFORE THE FEDERAL ELECTION COMMISSION**  
**ENFORCEMENT PRIORITY SYSTEM**  
**DISMISSAL REPORT**

**MUR:** 7439

**Respondents:** Philip A. Hart Democratic Club  
and Darlene Kaltz, as treasurer<sup>1</sup>  
("the Committee")

**Complaint Receipt Date:** July 24, 2018

**Response Date:** August 7, 2018

**EPS Rating:**

**Alleged Statutory** 52 U.S.C. § 30104(b)(4)(A), (b)(4)(H), (b)(5)(A), (b)(6)(B)  
**Regulatory Violations:** 11 C.F.R. § 104.3(b)(1)(i)(A)-(C), (b)(3)(i)

Complainant Steven Bieda alleges that the Committee made multiple expenditures for "political materials" in June and July 2018, supporting Macomb County clerk candidate Fred Miller and criticizing opposing candidate Bieda, but did not disclose these disbursements on its federal campaign finance reports.<sup>2</sup> Miller and Bieda were both Democratic candidates for Macomb County clerk, a non-federal office in Michigan.<sup>3</sup> Respondents assert that the materials were prepared for a non-federal election, and were paid for with non-federal funds from a non-federal account.<sup>4</sup>

<sup>1</sup> Kaltz is the current treasurer of the Committee; Roger Hotlslander was treasurer at the time of the Complaint.

<sup>2</sup> Compl. at 1-3 (July 24, 2018). According to the Complaint, the Committee disseminated six mailings and five newspaper advertisements between June 13, 2018, and July 12, 2018. *Id.* at 2-3. Images of the mailers and newspaper advertisements were copied and attached to the Complaint. Compl. Attach. at 4-14.

<sup>3</sup> See Christina Hall, *Miller wins tight race for Democratic nod for Macomb County clerk*, DETROIT FREE PRESS, Aug. 7, 2018, available at <https://www.freep.com/story/news/local/michigan/macomb/2018/08/07/tight-race-democratic-nod-macomb-county-clerk-race/914286002/> (last visited Apr. 12, 2019). Miller won the primary and went on to defeat Karen Spranger in the general election. See Christina Hall, *Democrat Fred Miller wins close race to replace ousted Macomb County clerk Karen Spranger*, DETROIT FREE PRESS, Nov. 6, 2018, available at <https://www.freep.com/story/news/politics/elections/2018/11/06/macomb-county-election-results-clerk/1891199002/> (last visited Apr. 12, 2019).

<sup>4</sup> Resp. at 1 (Aug 7, 2018). Campaign finance reports filed by the Committee indicate that its primary activity is bingo fundraising and payouts. The most recent report filed reported that 834 out of 883 federal disbursements were for "Bingo Prizes," and 393 out of 401 disbursements that were allocated for federal/non-federal activity went to "worker payouts." See Philip A. Hart Democratic Club 2018 Post-General Report, filed December 4, 2018, available at <http://docquery.fec.gov/pdf/964/201812049133954964/201812049133954964.pdf> (last visited December 20, 2018). Michigan Secretary of State records indicate that two prior state committees existed with the name "Philip A. Hart Democratic Club," the first ceasing to exist in 1996 (see <https://cfrsearch.nictusa.com/committees/505277>), and the second having dissolved in 2002 (see <https://cfrsearch.nictusa.com/committees/508492>). No currently registered Michigan state committee is named Philip A. Hart Democratic Club.

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 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 Respondents' statements regarding non-federal activity, the lack of contrary information, and the non-federal election at issue, 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.<sup>5</sup> We also recommend that the Commission close the file as to all Respondents and send the appropriate letters.

4/16/19

Date

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<sup>5</sup> Heckler v. Chaney, 470 U.S. 821, 831-32 (1985).