

FEDERAL ELECTION COMMISSION
FIRST GENERAL COUNSEL’S REPORT

AUDIT REFERRAL: 17-15R
DATE REFERRED: 7/13/2017
DATE OF NOTIFICATION: 11/17/2017
RESPONSE RECEIVED: 2/17/2018
DATE ACTIVATED: 3/30/2018

EXPIRATION OF SOL: 7/15/2021-ongoing
ELECTION CYCLE: 2016

COMPLAINANT: Internally Generated

RESPONDENTS: Progressive Priorities PAC and Michelle Sotelo in her official capacity as treasurer

RELEVANT STATUTES AND REGULATIONS: 52 U.S.C. § 30103(b), (c)
52 U.S.C. § 30104(b)
11 C.F.R. § 102.2(a)(1), (2)
11 C.F.R. § 104.3

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. INTRODUCTION

The Commission’s Reports Analysis Division (“RAD”) originally referred Progressive Priorities PAC (“the Committee”) and Michelle Sotelo in her official capacity as treasurer to the Audit Division based on the Committee’s failures to itemize contributions and disbursements, as well as an untimely report. The Commission subsequently transferred this matter to the Office of the General Counsel (“OGC”).¹ After being notified of the allegations in the referral, the Committee’s purported treasurer filed a response denying any knowledge of or involvement with the Committee.

¹ Certification, 2015-2016 RAD Audit Referrals – Unauthorized Committees (Nov. 9, 2017).

1 As discussed below, we recommend that the Commission find reason to believe that the
2 Committee violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by failing to itemize its receipts
3 and disbursements, and 52 U.S.C. § 30103(b), (c) and 11 C.F.R. § 102.2(a)(1), (2) by failing to
4 accurately identify its treasurer. Because we do not know who, if anyone, acted as treasurer for
5 the Committee, we believe further fact finding is necessary and recommend that the Commission
6 authorize compulsory process.

7 **II. FACTUAL AND LEGAL ANALYSIS**

8 **A. Background**

9 The Committee has been registered with the Commission as a political committee since
10 May 2016.³ The Committee's first Statement of Organization listed Henok Tedla as its
11 treasurer.⁴ The Committee filed an amended Statement of Organization in September 2016
12 listing Alex Roth as treasurer,⁵ and two subsequent Statements of Organization listing Michelle
13 Sotelo as treasurer.⁶ Notwithstanding these changes, none of the Committee's reports were ever
14 signed by Alex Roth or Michelle Sotelo—all have been signed by Tedla.⁷

³ Progressive Priorities PAC, Statement of Organization (May 11, 2016).

⁴ *Id.* at 3.

⁵ Progressive Priorities PAC, Statement of Organization, at 3 (Sept. 23, 2016).

⁶ Progressive Priorities PAC, Statement of Organization, at 3 (Dec. 1, 2016); Progressive Priorities PAC, Statement of Organization, at 3 (Jan. 31, 2017).

⁷ RAD issued multiple Requests for Additional Information on this point. *See* RFAI: 2016 October Quarterly (Feb. 7, 2017); RFAI: 2016 Year-End (Apr. 5, 2017); RFAI: 2016 Post-General (Apr. 5, 2016); RFAI: 2017 Mid-Year Report (Aug. 28, 2017). The Committee has not provided any correction or explanation.

1 The Committee disclosed a total of \$389,539.89 in receipts and \$375,605.39 in
2 disbursements in its 2016 July and October Quarterly Reports, with no reported activity since.⁸
3 On February 7, 2017, RAD sent Requests for Additional Information (“RFAIs”) to the
4 Committee for both of these reports, noting that the Committee had failed to properly itemize its
5 receipts and disbursements.⁹ The Committee did not amend either report or otherwise respond.
6 On December 28, 2016, RAD sent an RFAI after the Committee failed to file its 2016 Post-
7 General Report.¹⁰ The Committee filed that report on February 3, 2017,¹¹ 37 days after RAD’s
8 notification and 57 days after the report was due.

9 On November 17, 2017, the Commission notified the Committee’s most recently
10 designated treasurer, Michelle Sotelo, that the Committee had been referred to OGC for possible
11 enforcement action. The letter cited the Committee’s late-filed 2016 Post-General Report and
12 the Committee’s failure to properly itemize its receipts and disbursements in its 2016 July and
13 October Quarterly Reports.¹²

14 On February 17, 2018, Sotelo filed a response, denying any knowledge of or involvement
15 with the Committee (“Response”) and asserting that the Committee identified her as a treasurer
16 without her consent.¹³ According to the Response, Sotelo actually goes by her married name of

⁸ See Progressive Priorities PAC, 2016 Year-End Report at 2 (Feb. 3, 2017); Progressive Priorities PAC, 2017 Mid-Year Report (July 31, 2017).

⁹ RFAI: 2016 October Quarterly Report (Feb. 7, 2017); RFAI: July Quarterly 2016 (Feb. 7, 2017).

¹⁰ RFAI: 2016 Post-General Report (Dec. 28, 2016).

¹¹ Progressive Priorities PAC, 2016 Post-General Report (Feb. 3, 2017).

¹² Notification Letter from Jeff Jordan to Michelle Sotelo, Progressive Priorities PAC (Nov. 17, 2017).

¹³ Response from Michelle Pautin to the Commission (Feb. 17, 2018).

1 Michelle Pautin.¹⁴ Pautin claimed that a family friend named Kyle Davies asked her to invest
2 \$100 in a business opportunity, for which he also requested and received her social security
3 number.¹⁵ Davies allegedly convinced Pautin to open a bank account, but then took it over and
4 denied her access to it.¹⁶ She said that she fought with Davies for months to regain access to her
5 account, and that Davies claimed that his business partners objected.¹⁷

6 Pautin stated that she did not realize that she had been designated as a treasurer for the
7 Committee until she received a call from OGC in February 2018 because the Committee had not
8 responded to the referral.¹⁸ According to Pautin, she immediately contacted Davies, who
9 admitted to her that Progressive Priorities PAC was run by his former business partner, Matthew
10 Tunstall, and that Davies was just a recruiter and had no idea what the business was.¹⁹ Pautin
11 said she has been unable to get in contact with Tunstall.²⁰ Pautin also reported filing a police
12 report.²¹

¹⁴ *Id.* at 2.

¹⁵ *Id.* at 1.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.* at 1-2.

²⁰ *Id.* at 2.

²¹ *Id.* Pautin believes that Davies and Tunstall's activities in connection with the Committee were fraudulent, and publicly available information appears to support that belief. The Committee does not appear to have made any disbursements to an identifiable political candidate or committee. It also appears to be very closely connected to another political committee called Liberty Action Group—both groups used Tedla as their report preparer, had nearly identical websites, and made significant disbursements to the same automated calling organization. That vendor, Smartcall Media, received \$270,501 from Progressive Priorities PAC and \$984,800 from Liberty Action Group in 2016. The Commission has no record of Smartcall Media receiving disbursements from any other source during that year. Progressive Priorities PAC also reported a disbursement to Liberty Action Group's director. *See* Progressive Priorities PAC, 2016 October Quarterly Report, at 42 (Oct. 13, 2016) (reporting \$500 disbursement to Josiah Cammer); Liberty Action Group, Misc. Report to FEC (Sept. 9, 2016) (listing Cammer as "Director"). Liberty Action Group made disbursements to people Pautin cited in her Response as operating Progressive Priorities PAC: \$13,586.10 to Kyle Davies and \$484,414.70 to Matt Tunstall. *See* 2017 Termination Report: Amendment 2

1 **B. Legal Analysis**

2 1. Failure To Itemize Receipts and Disbursements

3 Under the Federal Election Campaign Act of 1971, as amended (the “Act”), a political
4 committee must identify each person who makes a contribution having an aggregate amount in
5 excess of \$200 within the calendar year, together with the date and amount of such
6 contribution.²² Identification for an individual is defined as the full first and last names,
7 complete mailing address, occupation, and name of employer.²³ If a committee is not able to
8 obtain all of this information for a contributor, but the treasurer can demonstrate that he or she
9 exercised “best efforts” to obtain, maintain, and submit this identifying information, the
10 committee would nonetheless be considered in compliance with this requirement.²⁴ Similarly,
11 political committees must also report the name and address of each person to whom an
12 expenditure is made having an aggregate amount in excess of \$200 within the calendar year,
13 together with the date, amount, and purpose of the expenditure.²⁵

14 The Committee failed to include occupation or employer information for all of the 332
15 contributors for whom that information was required in the 2016 July and October Quarterly
16 Reports. It also made no attempt to demonstrate that it exercised its “best efforts” to collect this

(June 27, 2017) (\$1,956.30 to Kyle Davies in four disbursements and \$11,629.80 to “Kayle Davies” in 10 disbursements); Liberty Action Group, 2016 July Quarterly Report: Amendment 3 (June 26, 2017) (\$202,414.70 to Tunstall in 14 disbursements); 2016 October Quarterly Report: Amendment 1 (June 26, 2017) (\$187,500 to Tunstall in nine disbursements); 2016 Post-General Report: Amendment 1 (June 26, 2017) (\$14,500 to Tunstall in two disbursements); 2016 Year-End Report: Amendment 1 (June 26, 2017) (\$63,000 to Tunstall in two disbursements); 2017 Termination Report: Amendment 2 (June 27, 2017) (\$17,000 to Tunstall in two disbursements).

22 52 U.S.C. § 30104(b)(3)(A); 11 C.F.R. § 104.3(a)(4).

23 11 C.F.R. § 100.12.

24 52 U.S.C. § 30102(i); 11 C.F.R. § 104.7(a).

25 52 U.S.C. § 30104(b)(5)(A); 11 C.F.R. § 104.3(b)(3).

1 information. In fact, because the Committee has not disclosed receipts in any other report, the
2 Committee has never correctly itemized a single contribution. Moreover, in the Committee's
3 2016 July Quarterly Report, the Committee reported 256 receipts totaling \$30,995 identified only
4 as "PayPal." RAD instructed the Committee to itemize all of these PayPal contributions
5 aggregating over \$200, but the Committee failed to do so.²⁶ Because the Committee has
6 repeatedly failed to provide all required information about its receipts, we recommend the
7 Commission find reason to believe that the Committee violated 52 U.S.C. § 30104(b)(3)(A) and
8 11 C.F.R. § 104.3(a)(4).

9 The Committee also failed to provide all necessary information for 68 disbursements
10 totaling \$372,922.11 in the 2016 July and October Quarterly Reports. All of the disbursements
11 reported in the Committee's 2016 July Quarterly Report (totaling \$211,621.11) were missing
12 both an address and the purpose of the expenditure. In the 2016 October Quarterly Report, an
13 address was missing for \$161,301 out of \$163,621 in disbursements. Because the Committee
14 repeatedly failed to provide all required information about its disbursements, we recommend the
15 Commission find reason to believe that the Committee violated 52 U.S.C. § 30104(b)(5)(A) and
16 11 C.F.R. § 104.3(b)(3).

17 2. Failure To Accurately Identify the Committee's Treasurer

18 The Act also requires every political committee to have a treasurer.²⁷ The duties of the
19 treasurer include keeping an account of receipts and disbursements, preserving all records of
20 receipts and disbursements, filing reports of receipts and disbursements with the Commission,

²⁶ RFAI: 2016 July Quarterly Report (Feb. 7, 2017). It is not clear from the Committee's 2016 July Quarterly Report whether each PayPal receipt corresponds to an individual contributor or whether they are aggregated or subdivided in any way.

²⁷ 52 U.S.C. § 30102(a); *see also* 11 C.F.R. § 102.7(a).

1 and signing each report.²⁸ It is the responsibility of a committee to report the name and address
2 of its treasurer to the Commission, and any change in treasurer must be reported to the
3 Commission within ten days.²⁹

4 The Response indicates that Michelle Pautin, née Sotelo, the Committee's named
5 treasurer, did not actually perform the statutory duties of treasurer for the Committee at any
6 point. Pautin's Response claims she had no involvement whatsoever with the Committee, and
7 did not even know she was listed as its treasurer until she was contacted by OGC. While Tedla
8 purportedly signed the Committee's reports as "treasurer," the Committee's amended Statement
9 of Organization appears to have falsely designated Pautin as its treasurer and also purportedly
10 reflects the signature of Pautin. Given Pautin's statement that she had no knowledge of being the
11 treasurer of the Committee, and the lack of information about the Committee's operations, it is
12 unclear who acted as the treasurer. Accordingly, we recommend that the Commission find
13 reason to believe that the Committee violated 52 U.S.C. § 30103(b), (c) and 11 C.F.R.
14 § 102.2(a)(1), (2) by failing to accurately identify as treasurer the person to whom it had actually
15 assigned the statutory duties of that position.³⁰ Because of the severity of this allegation, we also
16 recommend that the Commission authorize compulsory process so that OGC may determine

²⁸ 52 U.S.C. §§ 30102(c)-(d), 30104(a).

²⁹ *Id.* § 30103(a)-(c); 11 C.F.R. §§ 102.1(d), 102.2(a)(1), (2).

³⁰ The Commission has previously found reason to believe committees violated 52 U.S.C. § 30103 where the treasurer named in the committee's Statement of Organization was not actively performing the statutory duties of treasurer. *See, e.g.*, First General Counsel's Report at 5-6, MUR 5276 (Friends of Jack Machek); Certification, MUR 5276 (Friends of Jack Machek) (deciding 5-0 in favor of finding reason to believe Respondent committee violated 2 U.S.C. § 433(b), (c), current 52 U.S.C. § 30103(b), (c)). In that case, the Commission took no further action where the listed treasurer had previously signed reports and the assistant treasurer had subsequently taken over. In this case, however, it appears the Committee listed as treasurer a person completely unaffiliated with the Committee.

1 who, if anyone, fulfilled the statutory duties of treasurer for the Committee and whether this
2 violation was knowing and willful.

3 **III. PROPOSED INVESTIGATION**

4 We intend to investigate the circumstances under which the Committee failed to
5 accurately itemize its contributions and disbursements. In addition, we intend to investigate
6 who, if anyone, fulfilled the statutory duties of treasurer for the Committee and, based on
7 Pautin's Response that the Committee's activities were fraudulent, whether the Committee's
8 failure to accurately identify its treasurer was knowing and willful. Although we would first
9 seek relevant information voluntarily from the Committee, we recommend that the Commission
10 authorize the use of compulsory process, particularly since the Committee did not respond to
11 most of RAD's and OGC's notifications.

12 **IV. RECOMMENDATIONS**

- 13 1. Open a MUR in AR 17-15R;
- 14 2. Remove Michelle Sotelo as a Respondent;
- 15 3. Find reason to believe that Progressive Priorities PAC and its treasurer violated
16 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3;
- 17 4. Find reason to believe that Progressive Priorities PAC violated 52 U.S.C.
18 § 30103(b), (c) and 11 C.F.R. § 102.2(a)(1), (2);
- 19 5. Approve the use of compulsory process;
- 20 6. Approve the attached Factual and Legal Analysis; and,
- 21 7. Approve the appropriate letters.
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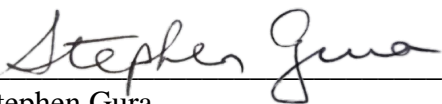
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Lisa J. Stevenson
Acting General Counsel

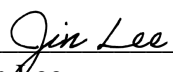
Kathleen M. Guith
Associate General Counsel for Enforcement

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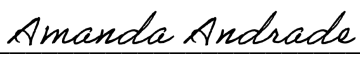
Date



Stephen Gura
Deputy Associate General Counsel



Jin Lee
Acting Assistant General Counsel



Amanda Andrade
Attorney

- Attachment:
1. Factual and Legal Analysis

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Progressive Priorities PAC MUR
and its treasurer

I. INTRODUCTION

The Commission's Reports Analysis Division ("RAD") originally referred Progressive Priorities PAC ("the Committee") and Michelle Sotelo in her official capacity as treasurer to the Audit Division based on the Committee's failures to itemize contributions and disbursements, as well as an untimely report. The Commission subsequently transferred this matter to the Office of the General Counsel ("OGC").¹ After being notified of the allegations in the referral, the Committee's purported treasurer filed a response denying any knowledge of or involvement with the Committee.

As discussed below, the Commission finds reason to believe that the Committee violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by failing to itemize its receipts and disbursements, and 52 U.S.C. § 30103(b), (c) and 11 C.F.R. § 102.2(a)(1), (2) by failing to accurately identify its treasurer.

¹ Certification, 2015-2016 RAD Audit Referrals – Unauthorized Committees (Nov. 9, 2017).

MUR
 Progressive Priorities PAC
 Factual and Legal Analysis

1 **II. FACTUAL AND LEGAL ANALYSIS**

2 **A. Background**

3 The Committee has been registered with the Commission as a political committee since
 4 May 2016.³ The Committee's first Statement of Organization listed Henok Tedla as its
 5 treasurer.⁴ The Committee filed an amended Statement of Organization in September 2016
 6 listing Alex Roth as treasurer,⁵ and two subsequent Statements of Organization listing Michelle
 7 Sotelo as treasurer.⁶ Notwithstanding these changes, none of the Committee's reports were ever
 8 signed by Alex Roth or Michelle Sotelo—all have been signed by Tedla.⁷

9 The Committee disclosed a total of \$389,539.89 in receipts and \$375,605.39 in
 10 disbursements in its 2016 July and October Quarterly Reports, with no reported activity since.⁸
 11 On February 7, 2017, RAD sent Requests for Additional Information ("RFAIs") to the
 12 Committee for both of these reports, noting that the Committee had failed to properly itemize its
 13 receipts and disbursements.⁹ The Committee did not amend either report or otherwise respond.
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⁸ *See* Progressive Priorities PAC, 2016 Year-End Report at 2 (Feb. 3, 2017); Progressive Priorities PAC, 2017 Mid-Year Report (July 31, 2017).

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MUR
Progressive Priorities PAC
Factual and Legal Analysis

1 General Report.¹⁰ The Committee filed that report on February 3, 2017,¹¹ 37 days after RAD's
2 notification and 57 days after the report was due.

3 On November 17, 2017, the Commission notified the Committee's most recently
4 designated treasurer, Michelle Sotelo, that the Committee had been referred to OGC for possible
5 enforcement action. The letter cited the Committee's late-filed 2016 Post-General Report and
6 the Committee's failure to properly itemize its receipts and disbursements in its 2016 July and
7 October Quarterly Reports.¹²

8 On February 17, 2018, Sotelo filed a response, denying any knowledge of or involvement
9 with the Committee ("Response") and asserting that the Committee identified her as a treasurer
10 without her consent.¹³ According to the Response, Sotelo actually goes by her married name of
11 Michelle Pautin.¹⁴ Pautin claimed that a family friend named Kyle Davies asked her to invest
12 \$100 in a business opportunity, for which he also requested and received her social security
13 number.¹⁵ Davies allegedly convinced Pautin to open a bank account, but then took it over and
14 denied her access to it.¹⁶ She said that she fought with Davies for months to regain access to her
15 account, and that Davies claimed that his business partners objected.¹⁷

¹⁰ RFAI: 2016 Post-General Report (Dec. 28, 2016).

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¹⁴ *Id.* at 2.

¹⁵ *Id.* at 1.

¹⁶ *Id.*

¹⁷ *Id.*

MUR
Progressive Priorities PAC
Factual and Legal Analysis

1 Pautin stated that she did not realize that she had been designated as a treasurer for the
2 Committee until she received a call from OGC in February 2018 because the Committee had not
3 responded to the referral.¹⁸ According to Pautin, she immediately contacted Davies, who
4 admitted to her that Progressive Priorities PAC was run by his former business partner, Matthew
5 Tunstall, and that Davies was just a recruiter and had no idea what the business was.¹⁹ Pautin
6 said she has been unable to get in contact with Tunstall.²⁰ Pautin also reported filing a police
7 report.²¹

8 **B. Legal Analysis**

9 1. Failure To Itemize Receipts and Disbursements

10 Under the Federal Election Campaign Act of 1971, as amended (the “Act”), a political
11 committee must identify each person who makes a contribution having an aggregate amount in
12 excess of \$200 within the calendar year, together with the date and amount of such

¹⁸ *Id.*

¹⁹ *Id.* at 1-2.

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²¹ *Id.* Pautin believes that Davies and Tunstall’s activities in connection with the Committee were fraudulent, and publicly available information appears to support that belief. The Committee does not appear to have made any disbursements to an identifiable political candidate or committee. It also appears to be very closely connected to another political committee called Liberty Action Group—both groups used Tedla as their report preparer, had nearly identical websites, and made significant disbursements to the same automated calling organization. That vendor, Smartcall Media, received \$270,501 from Progressive Priorities PAC and \$984,800 from Liberty Action Group in 2016. The Commission has no record of Smartcall Media receiving disbursements from any other source during that year. Progressive Priorities PAC also reported a disbursement to Liberty Action Group’s director. *See* Progressive Priorities PAC, 2016 October Quarterly Report, at 42 (Oct. 13, 2016) (reporting \$500 disbursement to Josiah Cammer); Liberty Action Group, Misc. Report to FEC (Sept. 9, 2016) (listing Cammer as “Director”). Liberty Action Group made disbursements to people Pautin cited in her Response as operating Progressive Priorities PAC: \$13,586.10 to Kyle Davies and \$484,414.70 to Matt Tunstall. *See* 2017 Termination Report: Amendment 2 (June 27, 2017) (\$1,956.30 to Kyle Davies in four disbursements and \$11,629.80 to “Kayle Davies” in 10 disbursements); Liberty Action Group, 2016 July Quarterly Report: Amendment 3 (June 26, 2017) (\$202,414.70 to Tunstall in 14 disbursements); 2016 October Quarterly Report: Amendment 1 (June 26, 2017) (\$187,500 to Tunstall in nine disbursements); 2016 Post-General Report: Amendment 1 (June 26, 2017) (\$14,500 to Tunstall in two disbursements); 2016 Year-End Report: Amendment 1 (June 26, 2017) (\$63,000 to Tunstall in two disbursements); 2017 Termination Report: Amendment 2 (June 27, 2017) (\$17,000 to Tunstall in two disbursements).

MUR
Progressive Priorities PAC
Factual and Legal Analysis

1 contribution.²² Identification for an individual is defined as the full first and last names,
2 complete mailing address, occupation, and name of employer.²³ If a committee is not able to
3 obtain all of this information for a contributor, but the treasurer can demonstrate that he or she
4 exercised “best efforts” to obtain, maintain, and submit this identifying information, the
5 committee would nonetheless be considered in compliance with this requirement.²⁴ Similarly,
6 political committees must also report the name and address of each person to whom an
7 expenditure is made having an aggregate amount in excess of \$200 within the calendar year,
8 together with the date, amount, and purpose of the expenditure.²⁵

9 The Committee failed to include occupation or employer information for all of the 332
10 contributors for whom that information was required in the 2016 July and October Quarterly
11 Reports. It also made no attempt to demonstrate that it exercised its “best efforts” to collect this
12 information. In fact, because the Committee has not disclosed receipts in any other report, the
13 Committee has never correctly itemized a single contribution. Moreover, in the Committee’s
14 2016 July Quarterly Report, the Committee reported 256 receipts totaling \$30,995 identified only
15 as “PayPal.” RAD instructed the Committee to itemize all of these PayPal contributions
16 aggregating over \$200, but the Committee failed to do so.²⁶ Because the Committee has
17 repeatedly failed to provide all required information about its receipts, the Commission finds

²² 52 U.S.C. § 30104(b)(3)(A); 11 C.F.R. § 104.3(a)(4).

²³ 11 C.F.R. § 100.12.

²⁴ 52 U.S.C. § 30102(i); 11 C.F.R. § 104.7(a).

²⁵ 52 U.S.C. § 30104(b)(5)(A); 11 C.F.R. § 104.3(b)(3).

²⁶ RFAI: 2016 July Quarterly Report (Feb. 7, 2017). It is not clear from the Committee’s 2016 July Quarterly Report whether each PayPal receipt corresponds to an individual contributor or whether they are aggregated or subdivided in any way.

MUR
 Progressive Priorities PAC
 Factual and Legal Analysis

1 reason to believe that the Committee violated 52 U.S.C. § 30104(b)(3)(A) and 11 C.F.R.
 2 § 104.3(a)(4).

3 The Committee also failed to provide all necessary information for 68 disbursements
 4 totaling \$372,922.11 in the 2016 July and October Quarterly Reports. All of the disbursements
 5 reported in the Committee's 2016 July Quarterly Report (totaling \$211,621.11) were missing
 6 both an address and the purpose of the expenditure. In the 2016 October Quarterly Report, an
 7 address was missing for \$161,301 out of \$163,621 in disbursements. Because the Committee
 8 repeatedly failed to provide all required information about its disbursements, the Commission
 9 finds reason to believe that the Committee violated 52 U.S.C. § 30104(b)(5)(A) and 11 C.F.R.
 10 § 104.3(b)(3).

11 2. Failure To Accurately Identify the Committee's Treasurer

12 The Act also requires every political committee to have a treasurer.²⁷ The duties of the
 13 treasurer include keeping an account of receipts and disbursements, preserving all records of
 14 receipts and disbursements, filing reports of receipts and disbursements with the Commission,
 15 and signing each report.²⁸ It is the responsibility of a committee to report the name and address
 16 of its treasurer to the Commission, and any change in treasurer must be reported to the
 17 Commission within ten days.²⁹

18 The Response indicates that Michelle Pautin, née Sotelo, the Committee's named
 19 treasurer, did not actually perform the statutory duties of treasurer for the Committee at any
 20 point. Pautin's Response claims she had no involvement whatsoever with the Committee, and

²⁷ 52 U.S.C. § 30102(a); *see also* 11 C.F.R. § 102.7(a).

²⁸ 52 U.S.C. §§ 30102(c)-(d), 30104(a).

²⁹ *Id.* § 30103(a)-(c); 11 C.F.R. §§ 102.1(d), 102.2(a)(1), (2).

MUR
Progressive Priorities PAC
Factual and Legal Analysis

1 did not even know she was listed as its treasurer until she was contacted by OGC. While Tedla
2 purportedly signed the Committee's reports as "treasurer," the Committee's amended Statement
3 of Organization appears to have falsely designated Pautin as its treasurer and also purportedly
4 reflects the signature of Pautin. Given Pautin's statement that she had no knowledge of being the
5 treasurer of the Committee, and the lack of information about the Committee's operations, it is
6 unclear who acted as the treasurer. Accordingly, the Commission finds reason to believe that the
7 Committee violated 52 U.S.C. § 30103(b), (c) and 11 C.F.R. § 102.2(a)(1), (2) by failing to
8 accurately identify as treasurer the person to whom it had actually assigned the statutory duties
9 of that position.³⁰

³⁰ The Commission has previously found reason to believe committees violated 52 U.S.C. § 30103 where the treasurer named in the committee's Statement of Organization was not actively performing the statutory duties of treasurer. *See, e.g.*, First General Counsel's Report at 5-6, MUR 5276 (Friends of Jack Machek); Certification, MUR 5276 (Friends of Jack Machek) (deciding 5-0 in favor of finding reason to believe Respondent committee violated 2 U.S.C. § 433(b), (c), current 52 U.S.C. § 30103(b), (c)). In that case, the Commission took no further action where the listed treasurer had previously signed reports and the assistant treasurer had subsequently taken over. In this case, however, it appears the Committee listed as treasurer a person completely unaffiliated with the Committee.