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October 23, 2018

Federal Election Commission
Office of Complaints Examination
and Legal Administration
attn: Donna Rawls
1050 First Street, NE
Washington, DC 20002

2018 OCT 24 AM 10:23

OFFICE OF
GENERAL COUNSEL

Re: MUR 7496

Dear Ms. Rawls,

This response is submitted by the undersigned counsel on behalf of New Republican PAC in connection with MUR 7496.¹ This Complaint rehashes allegations made in MUR 7370 and covers much of the same ground. Accordingly, the Response filed in MUR 7370 is referenced herein and is included as an attachment. In this second matter, the Complaint alleges – incorrectly – that Governor Scott continued to be involved in the operations of New Republican PAC after he declared his candidacy for the U.S. Senate, and that all of New Republican PAC's advertising is coordinated under a variety of conduct prongs. The Complaint is wholly without merit and should be dismissed.

I. Background

A. Governor Scott Served as Honorary Chair of New Republican PAC from May 11, 2017 to Early December 2017

Governor Scott's past relationship with New Republican PAC was explained in detail in the Response filed by New Republican PAC in MUR 7370. As explained, "Governor Scott became the Honorary Chair of New Republican PAC on or about May 11, 2017." MUR 7370,

¹ The Respondent received a copy of the Complaint from the Commission on or about September 24, 2018. On September 26, counsel for Respondent requested a 30-day extension of time to file a response. On September 28, the Office of General Counsel denied this request without explanation. A representative of the Office of General Counsel subsequently acknowledged during a telephone conversation that the internal policy regarding the granting of extensions had been changed in the preceding weeks but that no statement or other notice of this change in policy was planned. During this same telephone conversation, the Office of General Counsel offered a 15-day extension, which the Respondent accepted, and which was then confirmed by letter dated October 1.

Response of New Republican PAC at 3. At that time, Governor Scott stated that “Donald Trump needs a Republican Party that supports him with ideas that will make America Great, and ideas that the American people want. New Republican will be an idea generator.” *Id.* During the period Governor Scott served as Honorary Chair, “the PAC worked to advance the same ideas it has always promoted” since the PAC’s founding in 2013. *Id.* at 4. “Governor Rick Scott served as the Honorary Chair of New Republican PAC for only a few months, beginning in May 2017. Governor Scott transitioned out of this role in late 2017, and this exit was formalized when New Republican PAC personnel met on December 7-8, 2017. As of the date of these meetings, New Republican PAC has operated independently of Governor Scott.” *Id.* at 4. The Complaint’s assertions that Governor Scott served as the “chair of the PAC” after this date are incorrect. *See* Complaint at 2.²

B. Leadership Transition

New Republican PAC’s leadership transition was previously explained in its Response in MUR 7370:

Following the December 7-8, 2017 meetings, Melissa Stone remained in the position of Executive Director of New Republican PAC. During December and January, Blaise Hazelwood served as a Senior Advisor. Effective February 1, 2018, Ms. Hazelwood became the Executive Director. Melissa Stone continues to serve New Republican PAC as a Senior Advisor.

Since February 1, 2018, Ms. Hazelwood has made all decisions regarding the PAC’s operations and activities. *See* Affidavit of Blaise Hazelwood at ¶ 3. Ms. Hazelwood has not spoken with, or otherwise communicated with, Governor Rick Scott about any matters pertaining to the plans, activities, or strategies of New Republican PAC. *See id.* at ¶ 5. Ms. Hazelwood recalls that she spoke with Governor Scott socially on one occasion, on or about December 12, 2017, but there was no discussion of New Republican PAC or Governor Scott’s future plans. *See id.*

Ms. Hazelwood was not involved in the fundraising events referenced above and did not speak to Governor Scott about those events. *See id.* at ¶¶ 5, 9. Furthermore, Ms. Hazelwood has never spoken to anyone beyond New Republican PAC’s own contracted personnel and consultants about the PAC’s operations, activities, plans, and strategies. *See id.* at ¶ 10.

MUR 7370, Response of New Republican PAC at 6.

² The Complaint refers to a *Gainesville Sun* article dated April 10, 2018 which asserts that “Scott stepped down as chair in February, his campaign said.” That information is incorrect.

II. The Complaint's New Allegations

The Complaint claims that “all of the available evidence suggests that Scott was actively formulating potential campaign strategy and preparing communications while he was still chair of the PAC.” Complaint at 2. Aside from its own incorrect assertions and mistaken conclusions, the Complainant presents no evidence to support its claim. For instance, the Complaint alleges that Governor “Scott’s involvement with [New Republican] PAC has apparently continued well into his candidacy for U.S. Senate; he was scheduled to participate in a conference call with the PAC as recently as August 29, 2018.” *Id.* at 2-3. This appears to be a reference to a conference call paid for and sponsored by New Republican PAC in which Governor Scott spoke as a special guest. This conference call and all associated materials complied with Commission regulations and guidance; neither is evidence of impermissible “involvement” with New Republican PAC.

The Complaint claims that two independent expenditures that were produced and distributed by New Republican PAC should be treated as coordinated communications based on a “timeline” the Complainant has concocted from “publicly available information” and that supposedly “demonstrates that Rick Scott began developing political and communications strategy for a potential campaign for Senate while serving as a chair” of New Republican PAC. Complaint at 3-4. The Complaint presents no evidence in support of this claim, only supposition and speculation.

The Complainant’s assertions and legal conclusions consist almost entirely of speculation. According to the Complaint, the two independent expenditures “*may have been* the product of substantial discussions between Scott and the PAC’s employees or strategic advisors.” Complaint at 5 (emphasis added). The Complainant says that “[i]n the ten months that Gov. Scott was publicly identified as chairing New Republican PAC ... he is *highly likely* to have engaged in ‘substantial discussion’ about this future campaign’s ‘plans, projects[,] activities, or needs’ with the Super PAC’s agents and employees.” *Id.* at 5-6 (emphasis added). The Complaint suggests that Governor Scott’s decision to personally fund “testing the waters expenses” “is *highly suggestive of the fact* that substantial discussions about his campaign communications strategy *may have occurred* with PAC staff and agents.” *Id.* at 6 (emphasis added). Lastly, the Complaint contends that “*If* strategic discussion did occur” then “any communications funded by the PAC *likely* relied upon non-public, material information about Scott’s candidacy.” *Id.* (emphasis added). There is no evidence for any of this speculation.

The Complainant also contends that “[t]hese advertisements also *appear to have been* created, produced, or distributed at the request or suggestion of candidate Rick Scott.” Complaint at 7 (emphasis added). Again, this conclusion is not based on any actual evidence of a request or suggestion, but rather, more baseless speculation. The Complainant finds it “*difficult to believe*” that Governor Scott “did not ... communicate [his] strategy to the PAC and ask that the PAC ... create, produce, and distribute communications in support of that strategy.” *Id.* (emphasis added).

The two independent expenditure television advertisements referenced on page 3 of the Complaint (distributed on May 3 and June 11, 2018), were created, produced, and distributed

under the direction of New Republican PAC's Executive Director, Blaise Hazelwood. *See* Affidavit of Blaise Hazelwood at ¶ 8-9. As reported to the Commission, advertisement production was provided by media consultants at SRCP Media. *Id.* at 9. Both advertisements rely heavily on publicly-sourced research material which is cited in the advertisements. Media placement services were provided by consultants at Matson Media LLC. *Id.* Ms. Hazelwood and these consultants worked independently, and Governor Scott's campaign was not involved in any way with the creation, production, or distribution of these advertisements. *Id.* As was previously explained, "Ms. Hazelwood has never spoken to anyone beyond New Republican PAC's own contracted personnel and consultants about the PAC's operations, activities, plans, and strategies." MUR 7370, Response of New Republican PAC at 6.

The Complaint presents no evidence in support of any of the claims made, and the Complainant's entire train of thought simply moves from one instance of speculation to the next. At no point does the Complaint introduce a single fact that evidences actual coordination conduct. In past matters, the Commission has dismissed precisely this sort of baseless allegation. For example, in MUR 5576 the Commission rejected similar allegations as "completely speculative." MUR 5576 (New Democrat Network), Factual and Legal Analysis at 5 n.7. The General Counsel explained:

The only information Complainant provided regarding the alleged request or suggestion and substantial discussion is to speculate that "[i]t is unclear whether the NDN has produced and distributed these ads at the suggestion or request of ... or after substantial discussion with the Knowles campaign," but that it "*seems likely*" that there have been such discussions. . . . These allegations are not sufficient to support a reason to believe recommendation."

Id. (emphasis added).

Neither Ms. Hazelwood nor any of the retained media consultants engaged in any "substantial discussions about the communication," or *any* discussion about either communication whatsoever, with Governor Scott or any representative of his campaign committee. The Complaint contains no evidence to the contrary, only speculation. The Complaint does not contain any information or evidence regarding the particular matters that were allegedly the subjects of "substantial discussion." As explained above, and in the Response to MUR 7370, Governor Scott's involvement with New Republican PAC ended in early December 2017. The advertisements at issue were not conceived and developed until months later. There is no evidence of any discussion of any advertising with Governor Scott because, in fact, no such discussion ever occurred. *See* Affidavit of Blaise Hazelwood at ¶ 9.

In a recently concluded matter, the Commission unanimously voted to dismiss after finding no evidence "link[ing] any particular discussions to any specific public communications." The Commission concluded:

The Complaints do not establish how these alleged discussions involving Priorities USA, HFA, and the DNC satisfy the conduct prong *and do not link any particular discussions to any specific public communications*. The factual record,

therefore, does not support a conclusion that the conduct prong is satisfied regarding Priorities USA's independent expenditures.

MUR 7155 and 7157 (Hillary for America, *et al.*), Factual and Legal Analysis at 11 (emphasis added). In the present matter, while no evidence of any discussions exists at all, the Complainant has similarly failed to establish any "link" between "any particular discussions to any specific communications."

In a confused passage the Complainant contends that the 120-day period referenced in the Commission's coordination regulations is somehow relevant to this matter. *See* Complaint at 5-7. Contrary to the Complainant's suggestion, the 120-day period is not used to determine the materiality of information. The 120-day period appears in both the "common vendor" and "former employee or independent contractor" conduct sub-provisions as a form of safe harbor. In any event, the passage of 120 day is irrelevant because both provisions require a showing that information was actually used or conveyed that was material to the creation, production, or distribution of a specific public communication. The Complainant has not provided any such evidence.

The two independent expenditures identified in the Complaint were created, produced, and distributed *independently* by New Republican PAC. These advertisements were not the result of any request or suggestion by Governor Scott or any representative or agency of Governor Scott's U.S. Senate campaign. These advertisements were not the product of any substantial discussion between New Republican PAC and Governor Scott or his U.S. Senate campaign. Notwithstanding the Complainant's extensive speculation, the Complaint presents no actual evidence of any activity that would satisfy the conduct prong with respect to the identified advertisements. The Commission should find no reason to believe a violation occurred and dismiss the Complaint.

Sincerely,



Michael Bayes
Counsel for New Republican PAC

Attachment

AFFIDAVIT OF BLAISE HAZELWOOD

PERSONALLY came and appeared before me, the undersigned Notary, the within named BLAISE HAZELWOOD, and makes this her Statement and General Affidavit upon oath and affirmation of belief and personal knowledge that the following matters, facts and things set forth are true and correct to the best of her knowledge:

1. I am Blaise Hazelwood. I currently serve as the Executive Director of New Republican PAC, and have served in that capacity since February 1, 2018.
2. I am the owner of Grassroots Targeting LLC, which has its principle place of business in Alexandria, Virginia. Grassroots Targeting LLC contracts with New Republican PAC for my services.
3. Since becoming the Executive Director of New Republican PAC on February 1, 2018, I have made all decisions regarding New Republican PAC's operations and activities.
4. As Executive Director of New Republican PAC, I made the decision to contract with each of New Republican PAC's current vendors and consultants. I made these contracting decisions beginning in February 2018. Both SRCP Media and Matson Media LLC were contractually engaged by New Republican PAC in early February 2018.
5. I have not spoken with, or otherwise communicated with, Governor Rick Scott about any matters pertaining to the plans, activities, or strategies of New Republican PAC.
6. I never discussed with Governor Rick Scott his decision to become a candidate for the U.S. Senate and I had no involvement in his decision-making process.
7. The only individuals with whom I have spoken with, or otherwise communicated about, New Republican PAC's operations, activities, plans, and strategies are the PAC's contracted personnel, consultants, and counsel.
8. New Republican PAC distributed an independent expenditure television advertisement in connection with the U.S. Senate election in Florida on or about May 3, 2018. New Republican PAC distributed a second independent expenditure television advertisement in connection with the U.S. Senate election in Florida on or about June 11, 2018.
9. Both independent expenditures referenced in the Paragraph above were created, produced, and distributed under my direction. Both advertisements were produced by media consultants at SRCP Media. For both advertisements, media placement services were provided by consultants at Matson Media LLC. Neither Governor Scott, nor any representative or agent of Governor Scott's campaign committee, was not involved in any way with the creation, production, or distribution of either independent expenditure.

DATED this the 18 ^{Oct} day of June, 2018

Blaise Hazelwood
Signature of Affiant, Blaise Hazelwood

SWORN to subscribed before me, this 18 th day of ~~June~~ ^{Oct}, 2018

[Signature]
NOTARY PUBLIC

My Commission Expires:

January 31, 2022

