

SANDLER REIFF

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December 10, 2018

Mr. Jeff S. Jordan
Assistant General Counsel
Office of Complaints Examination
and Legal Administration
Federal Election Commission
1050 First Street, N.E.
Washington, D.C. 20463

Re: MUR 7501

Dear Mr. Jordan:

The undersigned serves as counsel for the Democratic Executive Committee of Florida and Francesca Menes, in her official capacity as Treasurer (the “Committee”). This letter responds on behalf of the Committee to the Commission’s notification that it received a complaint (the “Complaint”) alleging that the Committees violated the Federal Election Campaign Act (the “Act”) and Federal Election Commission (the “Commission”) regulations.

The Complaint alleges that the Committee made excessive in-kind contributions to Bill Nelson for U.S. Senate (the “Nelson campaign”) over the months of June and July of 2018. Specifically, the Complaint cites to payments by the Committee for certain payroll, consulting, and employee insurance expenses which included in the purpose description the notation “Senate 18/Nelson”, “USS/Nelson”, or “Senate/Nelson”. As described below, based upon the facts in the Complaint and other information available, the Commission should find that there is no reason to believe the Committee violated the Act or any of the Commission’s regulations. As such, the Commission should dismiss this matter immediately.

The disbursements at issue in the Complaint primarily involve payments made to the Committee’s staff and consultants for payroll, consulting, printing, and insurance expenses. These disbursements related to services performed on behalf of the Committee itself, not any one candidate. At no time, did the Committee intend to, or make, any in-kind contributions to the Nelson campaign as the Complaint alleges. The disbursements specifically include payments for fundraising for the Committee and salary and benefits to Committee staff. These expenses are not attributable to any one candidate, rather the activities supported the Committee’s own activities for the benefit of candidates up and down the ballot.¹

¹ See, 11 C.F.R. 106.1(c) (noting that expenditures for personnel, fund-raising, and other day-to-day costs are not attributable to a candidate unless they are made on behalf of a clearly identified candidate). See also, MUR 5564 (Alaska Democratic Party)

The notations at issue were caused by a simple administrative error due to a misunderstanding of the differences between federal and state reporting requirements and general miscommunication between lower level staff responsible for data entry for the Committee reports and Committee management. The errors were missed in the Committee's reporting review process; and therefore, the Committee's original reports contained the errors at issue here. The Committee's July and August monthly reports have since been amended to accurately describe the disbursements at issue in this Complaint. Moreover, the Committee acknowledged the reporting error publicly as soon as it became aware indicating that it would amend the reports to correct the error.²

The disclosure of any staff salaries as attributable to a specific candidate was in error. Once the error was discovered, the Committee publicly acknowledged the error and made efforts to correct its erroneous reporting. To be sure, at no time did Committee staff engage in activities that would be attributable as an in-kind contribution to any specific candidate. In MUR 5564, the Commission set a very high bar for there to be a requirement for a party committee to be required to allocate staff time to any particular candidate. In this matter, the Committee has not come close to that line, and the Complaint does not allege any facts to indicate that it has. The issue in this matter relates solely to erroneous reporting that has since been corrected. Accordingly, the Commission should find no reason to believe that a violation of the Act has occurred and dismiss this matter.

If you have any questions regarding this Response, my daytime number is (202) 479-1111. My email address is reiff@sandlerreiff.com.

Sincerely,



Neil P. Reiff
Counsel to Democratic Executive
Committee of Florida
Francesca Menes, Treasurer

² See, Matt Dixon, *Florida Democrats Report Above-Limit Nelson Contributions, Blame It On Bookkeeping Error*, POLITICO (Sept 12, 2018), <https://www.politico.com/states/florida/story/2018/09/12/florida-democrats-report-above-limit-nelson-contributions-blame-it-on-bookkeeping-error-608386>