

FEDERAL ELECTION COMMISSION

Washington, DC 20463

VIA CERTIFIED MAIL AND ELECTRONIC MAIL RETURN RECEIPT REQUESTED

July 28, 2020

Kendra Arnold Foundation for Accountability & Civic Trust 1717 K Street NW, Suite 900 Washington, DC 20006 klma@factdc.org

RE: MUR 7589

Dean Phillips for Congress

Dear Ms. Arnold:

The Federal Election Commission has considered the allegations contained in your complaint dated March 21, 2019. On July 21, 2020, based upon the information provided in the complaint, and information provided by the respondents, the Commission decided to exercise its prosecutorial discretion to dismiss the allegations as to Dean Phillips for Congress and Terri Huml, as treasurer, and closed its file in this matter. The General Counsel's Report, which more fully explains the basis for the Commission's decision, is enclosed.

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), effective September 1, 2016.

The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8). If you have any questions, please contact Laura Conley, the attorney assigned to this matter, at (202) 694-1475.

Sincerely,

BY: Jeff S. Jordan

Assistant General Counsel

Enclosure General Counsel's Report MUR758900016

BEFORE THE FEDERAL ELECTION COMMISSION

ENFORCEMENT PRIORITY SYSTEM DISMISSAL REPORT

MUR: 7589 Respondents: Dean Phillips for Congress

and Terri Huml, as Treasurer

Complaint Receipt Date: March 28, 2019 ("the Committee")¹

Response Date: July 18, 2019

EPS Rating:

Alleged Statutory 52 U.S.C. § 30120(a)(1) Regulatory Violations: 11 C.F.R. § 110.11(a)-(c)

The Complaint alleges that the Committee failed to display a disclaimer on every page of its website, www.phillipsforcongress.org, and the disclaimers that did appear on two webpages were not "clear and conspicuous," as required under the Commission's regulations. The Respondents state that the regulations do not require a disclaimer be located on each webpage, information on the website made it clear the Committee was responsible for the website's content, and the Committee later added a proper disclaimer on each page of its site.

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

Dean Phillips was elected in 2018 as a representative for the Third Congressional District of Minnesota.

² Compl. at 1-2 (March 28, 2019).

Resp. at 2-3 (July 18, 2019). Although the Respondents claim that disclaimers now appear at the bottom of every webpage, some pages currently lack disclaimers, for example, https://phillipsforcongress.org/priorities/.

MUR758900017

EPS Dismissal Report—MUR 7589 (Dean Phillips for Congress) Page 2 of 2

Commission action after application of these pre-established criteria. Given that low rating, the technical nature of the alleged violations, and the fact that the general public would likely have not been misled as to the party responsible for the website, 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. *Heckler v. Chaney*, 470 U.S. 821, 831-32 (1985). We also recommend that the Commission close the file as to all Respondents and send the appropriate letters.

Lisa J. Stevenson Acting General Counsel

Charles Kitcher Acting Associate General Counsel

12.11.19

Date

BY:

Stephen Gura

Deputy Associate General Counsel

Jeff S. Jordan

Assistant General Counsel

Laura Conley
Laura Conley

Attorney