

FEDERAL ELECTION COMMISSION Washington, DC 20463

VIA ELECTRONIC MAIL

July 28, 2020

Graham M. Wilson Emma O. Sharkey Perkins Coie LLP 700 13th Street NW, Suite 800 Washington, DC 20005 <u>GWilson@perkinscoie.com</u>

RE: MUR 7589 Dean Phillips for Congress and Terri Huml, as treasurer

Dear Mr. Wilson and Ms. Sharkey:

On April 1, 2019, the Federal Election Commission ("Commission") notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). On July 21, 2020, based upon the information contained in the complaint and information provided by your clients, the Commission voted to dismiss allegations that Dean Phillips for Congress and Terri Huml, in her official capacity as treasurer, violated provisions of the Act. The Commission then closed its file in this matter. A copy of 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 Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files*, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and *Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record*, 74 Fed. Reg. 66132 (Dec. 14, 2009). If you have any questions, please contact Laura Conley, the attorney assigned to this matter, at (202) 694-1475.

Sincerely,

Lisa J. Stevenson Acting General Counsel

BY: Jeff S. Jordan Assistant General Counsel

Enclosure: General Counsel's Report MUR758900019

#### **BEFORE THE FEDERAL ELECTION COMMISSION**

# ENFORCEMENT PRIORITY SYSTEM DISMISSAL REPORT

**MUR:** 7589

**Complaint Receipt Date:** March 28, 2019 **Response Date:** July 18, 2019 **EPS Rating:** 

## Alleged Statutory Regulatory Violations:

**Respondents:** Dean Phillips for Congress and Terri Huml, as Treasurer ("the Committee")<sup>1</sup>

## 52 U.S.C. § 30120(a)(1) 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, <u>www.phillipsforcongress.org</u>, and the disclaimers that did appear on two webpages were not "clear and conspicuous," as required under the Commission's regulations.<sup>2</sup> 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.<sup>3</sup>

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

<sup>&</sup>lt;sup>1</sup> Dean Phillips was elected in 2018 as a representative for the Third Congressional District of Minnesota.

<sup>&</sup>lt;sup>2</sup> Compl. at 1-2 (March 28, 2019).

<sup>&</sup>lt;sup>3</sup> 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, <u>https://phillipsforcongress.org/priorities/</u>.

#### MUR758900020

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

BY: Steple Juna

Stephen Gura Deputy Associate General Counsel

Jeff S. Jordan Assistant General Counsel

Laura Conley

Attorney

<u>12.11.19</u> Date