

April 20, 2021

## **VIA ELECTRONIC MAIL**

Richard G. Morgan Lewis Brisbois Bisgaard & Smith, LLP 90 South 7<sup>th</sup> Street, Suite 2800 Minneapolis, MN 55402 richard.morgan@lewisbrisbois.com

RE: MUR 7671
Big Tent Republican PAC
and Kerstin Schulz, as treasurer
Lacy Johnson for Congress
and Thomas Charles Datwyler,
as treasurer
Anton Lazzaro

Dear Mr. Morgan:

On December 18, 2019, the Federal Election Commission ("Commission") notified your clients, Big Tent Republican PAC and Kerstin Schulz, in her official capacity as treasurer, Lacy Johnson for Congress and Thomas Charles Datwyler, in his official capacity as treasurer, and Anton Lazzaro, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 15, 2021, based upon the information contained in the complaint and information provided by respondents, the Commission decided to dismiss allegations that Big Tent Republican PAC and Kerstin Schulz, in her official capacity as treasurer, Lacy Johnson for Congress and Thomas Charles Datwyler, in his official capacity as treasurer, and Anton Lazzaro 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.

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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 Don Campbell, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Lisa J. Stevenson

Acting General Counsel

BY: Jeff S. Jordan

**Assistant General Counsel** 

Enclosure:

General Counsel's Report

1 2 BEFORE THE FEDERAL ELECTION COMMISSION 3 4 5 6 ENFORCEMENT PRIORITY SYSTEM DISMISSAL REPORT **MUR**: 7671 **Respondent:** Big Tent Republicans PAC 7 and Kerstin Schulz, as treasurer 8 Lacy Johnson for Congress 9 and Thomas Charles Datwyler, as treasurer 10 Anton Lazzaro 11 12 Complaint Receipt Date: December 13, 2019 13 Response Date: March 9, 2020 14 15 16 17 Alleged Statutory/ 52 U.S.C. §§ 30103(b), 30104(a) Regulatory Violations: 11 C.F.R. §§ 102.2(b), 102.5, 102.17, 104.3(a), (b), 109.20 18 19 The Complaint alleges an improper relationship between Big Tent Republicans PAC (the 20 "PAC") and Lacy Johnson for Congress (the "Committee"), and alleges that a transfer of \$6,049.73 21 from the Committee to the PAC may have constituted an excessive contribution. The Complaint 22 23 further alleges that the PAC and the Committee may be coordinating their activities as the President of Big Tent Republicans also identifies as Lacy Johnson's volunteer campaign manager. Finally, 24 25 the Complaint alleges that the PAC may have violated the Act by improperly amending its Form 1 to identify as a nonconnected committee.<sup>3</sup> The Respondents assert that the transfer at issue was 26 made for a permissible purpose as part of a joint fundraising agreement, that there is no 27 28 coordination of activities between the PAC and the Committee outside of the permissible activity of 29 participating in a joint fundraiser, and that the PAC did not violate the Act when it filed its amended Form 1.4 30

<sup>&</sup>lt;sup>1</sup> Compl. at 1-3 (December 13, 2019).

<sup>&</sup>lt;sup>2</sup> Id. at 2.

<sup>&</sup>lt;sup>3</sup> *Id.* at 3.

Resp. at 1-2 (March 9, 2020). The Response attaches a separate letter to the Commission's Reports Analysis Division, asserting that the PAC is not a leadership PAC for Lacy Johnson, but is a nonconnected federal PAC engaged

EPS Dismissal Report MUR 7671 (Big Tent Republicans PAC) Page 2 of 2

1 Based on its experience and expertise, the Commission has established an Enforcement 2 Priority System using formal, pre-determined scoring criteria to allocate agency resources and 3 assess whether particular matters warrant further administrative enforcement proceedings. These 4 criteria include (1) the gravity of the alleged violation, taking into account both the type of activity 5 and the amount in violation; (2) the apparent impact the alleged violation may have had on the 6 electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in 7 potential violations and other developments in the law. This matter is rated as low priority for 8 Commission action after application of these pre-established criteria. Given that low rating, the 9 speculative nature of the allegations, and the low dollar amount involved, we recommend that the 10 Commission dismiss the Complaint consistent with the Commission's prosecutorial discretion to determine the proper ordering of its priorities and use of agency resources.<sup>5</sup> We also recommend 11 12 that the Commission close the file and send the appropriate letters.

|          |     | Lisa J. Stevenson                |
|----------|-----|----------------------------------|
|          |     | Acting General Counsel           |
|          |     |                                  |
|          |     | Charles Kitcher                  |
|          |     | Acting Associate General Counsel |
| 05.15.20 | BY: | Steple Jua                       |
| Date     |     | Stephen Gura                     |
|          |     | Deputy Associate General Counsel |
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|          |     | Jeff S. Jordan                   |
|          |     | Assistant General Counsel        |
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|          |     | Dalay & CANBOH                   |
|          |     | Donald E. Campbell               |
|          |     | Attorney                         |
|          |     |                                  |

with Lacy Johnson for Congress in a joint fundraiser. *Id.* at 11; *see* Big Tent Republicans Miscellaneous Report TO FEC 2019 (Form 99) (December 6, 2019).

<sup>&</sup>lt;sup>5</sup> Heckler v. Chaney, 470 U.S. 821, 831-32 (1985).