



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

March 29, 2022

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

J. McCauley Brown, Chairman  
Republican Party of Kentucky  
P.O. Box 1068  
Frankfort, KY 40602

RE: MUR 7682  
Honor Bound PAC f/k/a Amy McGrath for  
Senate, Inc. and Chris Patton in his official  
capacity as treasurer  
Mark L. Nickolas  
Save America Fund and Edward Galvin in  
his official capacity as treasurer

Dear Mr. Brown:

This is in reference to the complaint you filed with the Federal Election Commission on January 21, 2020, concerning Honor Bound PAC f/k/a Amy McGrath for Senate, Inc. and Chris Patton in his official capacity as treasurer; Mark L. Nickolas; and Save America Fund and Edward Galvin in his official capacity as treasurer. The Commission found that there was reason to believe that Honor Bound PAC and Mark Nickolas violated 52 U.S.C. § 30125(e) and 11 C.F.R. § 300.61, provisions of the Federal Election Campaign Act of 1971, as amended and Commission regulations. On March 23, 2022, a conciliation agreement signed on behalf of Honor Bound PAC and Mark Nickolas was accepted by the Commission. Additionally, the Commission found no reason to believe that Save America Fund and Edward Galvin in his official capacity as treasurer violated 52 U.S.C. § 30125(e) and 11 C.F.R. § 300.61. Accordingly, the Commission closed the file in this matter.

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). A copy of the conciliation agreement is enclosed for your information. Also enclosed is a copy of the Factual and Legal Analysis for Save America Fund.

MUR 7682 (Honor Bound PAC f/k/a Amy McGrath for Senate, Inc., *et al.*)

J. McCauley Brown

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If you have any questions, please contact me at (202) 694-1650 or [ddillenseger@fec.gov](mailto:ddillenseger@fec.gov).

Sincerely,

*Dominique Dillenseger*

Dominique Dillenseger  
Attorney

Enclosures

Conciliation Agreement

Factual and Legal Analysis

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of	)	
	)	
Honor Bound PAC (f/k/a Amy McGrath for Senate, Inc.)	)	MUR 7682
and Chris Patton in his official capacity as treasurer	)	
Mark L. Nickolas	)	

**CONCILIATION AGREEMENT**

This matter was initiated by a signed, sworn, and notarized complaint. The Federal Election Commission (the “Commission”) found reason to believe that Honor Bound PAC and Chris Patton in his official capacity as treasurer (“Honor Bound”) and Mark L. Nickolas (collectively, “Respondents”) violated 52 U.S.C. § 30125(e) and 11 C.F.R. § 300.61.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts and law in this matter are as follows:

1. Honor Bound was the principal campaign committee within the meaning of 52 U.S.C. § 30102(e) for Amy McGrath, a candidate for U.S. Senate in Kentucky, during the 2020 election cycle.

2. Chris Patton is the treasurer of Honor Bound.

3. Mark L. Nickolas is McGrath's former campaign manager.

4. Save America Fund and Edward Galvin, in his official capacity as treasurer ("Save America Fund") is a political committee within the meaning of 52 U.S.C. § 30101(4), and is an independent-expenditure-only political committee ("IEOPC").

5. "Fire Mitch Save America" ("FMSA") is "a project of Save America Fund." On January 6, 2020, Save America Fund filed an amended Statement of Organization listing its web site address as [www.firemitschsaveamerica.com](http://www.firemitschsaveamerica.com). On that site, Save America Fund describes itself as: "[t]he Super PAC dedicated to replacing Mitch McConnell with Amy McGrath."

6. On January 7, 2020, FMSA's Twitter handle posted its first tweet announcing Save America Fund's formation. The same day, reporters interviewed Nickolas about Save America Fund. According to an article published by *Politico* on January 7, 2020, Nickolas, identified as McGrath's campaign manager, was quoted as stating:

This is a big deal that Eric [Hyers] will lead this effort, given his recent success in ousting the other unpopular Republican in Kentucky in a race that many didn't think was winnable. He knows this electorate better than anyone . . . . We very strongly encourage donors to give to Eric's group.

7. The Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations prohibit federal candidates, officeholders, their agents, and entities, directly or indirectly established, financed, maintained, or controlled by or acting on behalf of federal candidates or officeholders, from soliciting funds in connection with a federal election "unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Act." 52 U.S.C. § 30125(e)(1)(A); 11 C.F.R. §§ 300.60, 300.61.

8. The Act limits contributions to non-authorized, non-party committees to \$5,000 in any calendar year. 52 U.S.C. § 30116(a)(1)(C). Although an IEOPC may accept contributions from corporations and individuals without regard to that \$5,000 limitation, *SpeechNow.org v. FEC*, 599 F.3d 686 (D.C. Cir. 2010); Advisory Op. 2010-11 (Common Sense Ten), federal officeholders and candidates may only solicit up to \$5,000 from permissible sources on behalf of such committee. Advisory Op. 2011-12 (Majority PAC) at 3.

9. For purposes of 52 U.S.C. § 30125(e) and 11 C.F.R. § 300.61, the Commission defines “agent” of a federal candidate or officeholder to mean “any person who has actual authority, either express or implied, to engage in any of the following activities on behalf of” that candidate or officeholder: “solicit[ing], receiv[ing], direct[ing], transferr[ing], or spend[ing] funds in connection with any election.” 11 C.F.R. § 300.2(b), (b)(3).

10. The Commission defines “to solicit” to mean:

to ask, request, or recommend, explicitly or implicitly, that another person make a contribution, donation, transfer of funds, or otherwise provide anything of value. A solicitation is an oral or written communication that, construed as reasonably understood in the context in which it is made, contains a clear message asking, requesting, or recommending that another person make a contribution, donation, transfer of funds, or otherwise provide anything of value. A solicitation may be made directly or indirectly. The context includes the conduct of persons involved in the communication. A solicitation does not include mere statements of political support or mere guidance as to the applicability of a particular law or regulation.

11 C.F.R. § 300.2(m).

11. The record indicates that Nickolas, in his role as campaign manager of McGrath’s campaign, was acting as an agent of Honor Bound when he made his statement soliciting non-federal funds to Save America Fund.

12. Respondents violated 52 U.S.C. § 30125(e) and 11 C.F. R. § 300.61 by soliciting non-federal funds to Save America Fund.

V. Respondents will take the following actions:

1. Respondents will pay a civil penalty to the Commission in the amount of Twelve Thousand Dollars (\$12,000), pursuant to 52 U.S.C. § 30109(a)(5)(A) and 11 C.F.R. § 111.24(a)(1).

2. Respondents will cease and desist from violating 52 U.S.C. § 30125(e) and 11 C.F.R. § 300.61.

VI. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

VIII. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

IX. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson  
 Acting General Counsel

BY: **Charles  
Kitcher**  
 Charles Kitcher  
 Associate General Counsel

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 Charles Kitcher  
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3/28/22  
 Date

FOR THE RESPONDENTS:

*James Lamb*  
 Name: *James Lamb*  
 Position: *Counsel*

*3-09-22*  
 Date

1 **FEDERAL ELECTION COMMISSION**

2 **FACTUAL AND LEGAL ANALYSIS**

3 **RESPONDENT:** Save America Fund **MUR 7682**  
 4 and Edward Galvin, in his official capacity  
 5 as treasurer

6 **I. INTRODUCTION**

7 The Complaint alleges that Honor Bound PAC (formerly known as Amy McGrath for  
 8 Senate, Inc., and the principal campaign committee for 2020 U.S. Senate candidate Amy  
 9 McGrath before its conversion into a multi-candidate political committee in 2021), and Chris  
 10 Patton in his official capacity as treasurer (“Honor Bound”), through its agent, Mark Nickolas,  
 11 the then-campaign manager for McGrath’s 2020 Senate campaign, knowingly and willfully  
 12 solicited non-federal funds to Save America Fund and Edward Galvin in his official capacity as  
 13 treasurer (“Save America Fund”), an independent expenditure-only political committee  
 14 (“IEOPC”), in violation of the Federal Election Campaign Act of 1971, as amended (the “Act”).<sup>1</sup>  
 15 The Complaint is based on a public statement Nickolas made to the press about the formation of  
 16 the IEOPC that allegedly encouraged potential donors to contribute to Save America Fund<sup>2</sup>  
 17 Respondent contends that Nickolas’s statement does not constitute a solicitation but assert that in  
 18 any event, the Complaint’s allegation of an impermissible solicitation of nonfederal funds does  
 19 not apply to it since, as an IEOPC, it is not prohibited from soliciting such funds.<sup>3</sup>

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<sup>1</sup> Compl. (Jan. 21, 2020).

<sup>2</sup> *Id.* ¶¶ 12-18.

<sup>3</sup> Save America Fund Resp. at 3-4 (Mar. 13, 2020).



The Complaint alleges a violation of 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 300.61, which prohibits federal officeholders, candidates, and their agents from soliciting funds in connection with a federal election that do not comply with federal source restrictions, amount limits, or reporting requirements. Because Save America Fund is not an entity subject to the Act’s regulation of solicitations of non-federal funds by candidates, however, the Commission finds no reason to believe that Save America Fund and Edward Galvin in his official capacity as treasurer violated 52 U.S.C. § 30125(e) and 11 C.F.R. § 300.61.

## II. FACTUAL BACKGROUND

On July 18, 2019, Amy McGrath registered as a candidate for U.S. Senate in Kentucky.<sup>4</sup> Amy McGrath for Senate, Inc., was the principal campaign committee of Amy McGrath and Chris Patton is its treasurer.<sup>5</sup> Mark Nickolas is McGrath’s former campaign manager.

Save America Fund filed a Statement of Organization as an IEOPC on December 24, 2019.<sup>6</sup> Eric Hyers, who was the former campaign manager for Governor Andy Beshear of Kentucky, founded Save America Fund.<sup>7</sup> Fire Mitch Save America (“FMSA”) is “a project of Save America Fund.”<sup>8</sup> On January 6, 2020, Save America Fund filed an amended Statement of

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<sup>4</sup> Amy McGrath, Original Statement of Candidacy at 1 (Jul. 18, 2019).

<sup>5</sup> Amy McGrath for US Senate, Original Statement of Organization (July 9, 2019). The Statement of Organization has been amended several times. Amended Statements of Organization (Aug. 28, 2019; Oct. 8, 2019; Nov. 16, 2019; Dec. 25, 2019; Jan. 3, 2020; Jan. 16, 2020; Apr. 29, 2020); Honor Bound PAC, Amended Statement of Organization (Mar. 29, 2021).

<sup>6</sup> Save America Fund, Statement of Organization (Dec. 24, 2019).

<sup>7</sup> See Daniel Desrochers, *Former Andy Beshear Staffer Forms Super PAC to Raise Money for Amy McGrath*, LEXINGTON HERALD-LEADER (Jan. 7, 2020), cited in Compl. at 3; Zach Montellaro, *The Democratic Debate Squeeze*, POLITICO (Jan. 7, 2020), cited in Compl. at 3.

<sup>8</sup> FIRE MITCH SAVE AMERICA, <https://www.firemitschsaveamerica.com/> (last visited Aug. 18, 2020), cited in Compl. at 2; Save America Fund Resp. at 1.

Organization listing its website address as [www.firemitschsaveamerica.com](http://www.firemitschsaveamerica.com).<sup>9</sup> Save America Fund describes itself on that website as “[t]he Super PAC dedicated to replacing Mitch McConnell with Amy McGrath.”<sup>10</sup>

On January 7, 2020, FMSA’s Twitter handle posted its first tweet announcing Save America Fund’s formation.<sup>11</sup> The same day, reporters interviewed Nickolas about Save America Fund. According to an article published by *Politico*, Nickolas, identified as McGrath’s campaign manager, was quoted as stating:

This is a big deal that Eric [Hyers] will lead this effort, given his recent success in ousting the other unpopular Republican in Kentucky in a race that many didn’t think was winnable. He knows this electorate better than anyone . . . . We very strongly encourage donors to give to Eric’s group.<sup>12</sup>

The Complaint attaches screenshots from Save America Fund’s ActBlue donation page, which Save America Fund and Hyers promoted on Twitter.<sup>13</sup> On top of the donation pages is the statement “Fire Mitch Save America” next to a photo of Senator McConnell, followed by “Donate Now. Fire Mitch,” and a reprint of Nickolas’s above quote in the *Politico* article

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<sup>9</sup> Save America Fund, Amended Statement of Organization, FEC Form 1 (Jan. 6, 2020).

<sup>10</sup> FIRE MITCH SAVE AMERICA, <https://www.firemitschsaveamerica.com/> (last visited Aug. 18, 2020).

<sup>11</sup> Compl. ¶ 10 (citing to Fire Mitch Save America (@fire\_mitch), TWITTER (Jan. 7, 202, 09:02 AM), [https://twitter.com/fire\\_mitch/status/1214547802686132226](https://twitter.com/fire_mitch/status/1214547802686132226) (inaugural tweet); Fire Mitch Save America (@fire\_mitch), TWITTER (Jan. 7, 2020, 09:30 AM), [https://twitter.com/fire\\_mitch/status/1214555024744951808](https://twitter.com/fire_mitch/status/1214555024744951808) (“We are Fire Mitch Save America. We want to see Mitch McConnell lose, we want to see Amy McGrath win and we’ve got the roadmap to do it.”)).

<sup>12</sup> Montellaro, *supra* note 7.

<sup>13</sup> Compl., Exs 3, 4; Fire Mitch Save America (@fire\_mitch), TWITTER (Jan. 8, 2020, 12:20 PM), [https://twitter.com/fire\\_mitch/status/1214960192644952064](https://twitter.com/fire_mitch/status/1214960192644952064) (including link to ActBlue donation page with reference code “retweet” attached as Exhibit 3 of the Complaint); Eric Hyers (@EricHyers), TWITTER (Jan. 7, 2020, 12:17 PM), <https://twitter.com/EricHyers/status/1214596998424399876> (including link to ActBlue donation page with reference code “fir\_or\_tw\_ah” attached as Exhibit 4 of the Complaint).

encouraging donors to give to Save America Fund.<sup>14</sup> The ActBlue donation pages, which are dated January 8, 2020, do not identify any limits to, or source restrictions on, contributions to Save America Fund.<sup>15</sup>

### III. LEGAL ANALYSIS

The Act prohibits federal candidates and officeholders, their agents, and entities directly or indirectly established, financed, or maintained, or controlled by, or acting on behalf of federal candidates and officeholders, from soliciting funds in connection with a federal election “unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Act.”<sup>16</sup> The Act limits contributions to non-authorized, non-party committees to \$5,000 in any calendar year.<sup>17</sup> Although an IEOPC may accept unlimited contributions,<sup>18</sup> federal officeholders and candidate may only solicit up to \$5,000 on behalf of such committee.<sup>19</sup>

As an IEOPC, Save America Fund may solicit and accept unlimited contributions from individuals, political committees, corporations, and labor organizations for the purpose of making independent expenditures.<sup>20</sup> Absent any allegations or information regarding coordination with a candidate, an authorized committee, or political party, Save America Fund

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<sup>14</sup> Compl., Exs 3, 4.

<sup>15</sup> *Id.*

<sup>16</sup> See 52 U.S.C. § 30125(e)(1)(A); see also 11 C.F.R. §§ 300.60, 300.61.

<sup>17</sup> 52 U.S.C. § 30116(a)(1)(C).

<sup>18</sup> See *SpeechNow.org v. FEC*, 599 F.3d 686, 696 (D.C. Cir. 2010) (*en banc*) (holding that contribution limits are unconstitutional as applied to individuals’ contributions to political committees that only make independent expenditures); Advisory Op. 2010-11 (Common Sense Ten) (“AO 2010-11”) (concluding that corporations, labor organizations, political committees, and individuals may each make unlimited contributions to IEOPCs).

<sup>19</sup> See Advisory Op. 2011-12 (Majority PAC) at 3; Conciliation Agreement ¶¶ 7, 8, MUR 7048 (Cruz for President, et al.); Factual and Legal Analysis at 11, MURs 6563 and 6733 (Rep. Aaron Schock).

<sup>20</sup> See AO 2010-11.

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1 was permitted to solicit and accept contributions in excess of the Act's amount limitations from  
2 permitted sources. As there are no such allegations regarding coordination or respecting  
3 improper sources, and the circumstances of this matter do not otherwise indicate coordination,  
4 the Commission finds no reason to believe that Save America Fund violated 52 U.S.C.  
5 § 30125(e)(1)(A) and 11 C.F.R. § 300.61.