



FEDERAL ELECTION COMMISSION
Washington, DC 20463

March 7, 2023

By Email & UPS Signature Required

Mr. Lawrence Kahele Lum Kee
c/o David Barry Benowitz, Esq.
Price Benowitz LLP
409 Seventh Street, NW
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RE: MUR 7690
Lawrence Kahele Lum Kee

Dear Mr. Benowitz:

The Federal Election Commission (the “Commission”) is the regulatory agency that administers and enforces the Federal Election Campaign Act of 1971, as amended (the “Act”). The Commission has ascertained information, described below, indicating that Lawrence Kahele Lum Kee, who you represent in *United States v. Lawrence Kahele Lum Kee*, 1:22-cr-00048-CJN (D.D.C.), and who you may represent in this matter and we send this notification in care of you, may have violated the Act and Commission regulations in two ways: (1) by allowing his name to be used to effect a contribution in the name of another to Collins for Senate, the authorized committee of Senator Susan Collins, in violation of 52 U.S.C. § 30122; and (2) by consenting to a prohibited corporate contribution to Collins for Senate, in violation of 52 U.S.C. § 30118.

We have obtained information through a federal criminal indictment in *United States v. Lum Kee*, 1:22-cr-00048-CJN (D.D.C.) and a Statement of Offense in Support of Guilty Plea in *United States v. Martin Kao*, 1:22-cr-00048-CJN (D.D.C.), indicating that Mr. Lum Kee, who was identified as the controller and accountant of a “Company A,” may have consented to the use of corporate funds for contributions to Collins for Senate made in the names of family members.¹ The available information indicates that Pacmar Technologies LLC (“Pacmar”), formerly known as Navatek, LLC, is “Company A.”

¹ Indictment ¶¶ 32-43, *United States v. Lum Kee*, 1:22-cr-00048-CJN (D.D.C. Feb. 10, 2022); Statement of Offense in Support of Guilty Plea ¶¶ 29-37, *United States v. Kao*, 1:22-cr-00048-CJN (D.D.C. Sept. 27, 2022).

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Under the Act, a contribution includes “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.”² Contributions made in the name of another are prohibited.³ The Act also prohibits any officer or director of a corporation from consenting to make corporate contributions to federal candidates, and likewise bars candidates, political committees (other than independent expenditure-only political committees and committees with hybrid accounts), and other persons, from knowingly accepting or receiving corporate contributions.⁴ Under Commission regulations, an LLC that elects to be treated as a corporation by the Internal Revenue Service, shall be considered a corporation pursuant to 11 C.F.R. § 110.1(e).⁵

The available information appears to indicate that Mr. Lum Kee may have allowed his name to be used to effect a contribution in the name of another, in violation of 52 U.S.C. § 30122, in connection with contributions made to Collins for Senate. Moreover, Mr. Lum Kee may have also violated the Act’s prohibition on consenting to corporate contributions, in violation of 52 U.S.C. § 30118, through his actions taken with respect to Pacmar’s funds being used in contributions to Collins for Senate.

The Office of General Counsel is reviewing the Complaint, the indictment, Statement of Offense in Support of Guilty Plea, and other available information, to determine whether to recommend to the Commission that it find there is reason to believe that Mr. Lum Kee violated 52 U.S.C. §§ 30118 and 30122. A “reason to believe” finding is not a finding that any person violated the Act; rather, it means only that the Commission believes a violation may have occurred.⁶ In the event the Commission finds that there is reason to believe, it may authorize the Office of General Counsel to conduct an investigation to determine whether, in fact, a violation occurred or to assess the scope of the alleged violation. *See* 52 U.S.C. § 30109(a)(2). The Commission may also authorize the Office of General Counsel to enter into negotiations directed toward reaching a conciliation agreement in settlement of a matter at an earlier stage of the enforcement process prior to a Commission finding that there is probable cause to believe that a person violated the Act or Commission regulations. *See* 11 C.F.R. § 111.18(d) and the enclosed procedures.

Before we make a recommendation to the Commission, we offer Mr. Lum Kee the opportunity to provide in writing a response to the information in this letter. Should Mr. Lum Kee choose to respond, he may also submit any materials—including documents or affidavits from persons with relevant knowledge—that he believes may be relevant or useful to the Commission’s consideration of this matter. The Commission will consider any information that

² 52 U.S.C. § 30101(8)(A)(i).

³ *Id.* § 30122.

⁴ *Id.* § 30118.

⁵ 11 C.F.R. § 110.1(g).

⁶ 52 U.S.C. § 30109(a)(2).

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Mr. Lum Kee provides in determining whether to find reason to believe that he violated the Act or Commission regulations.

Mr. Lum Kee's response, if he chooses to make one, must be submitted in writing within 15 calendar days of this letter's receipt. His response should be addressed to the Office of General Counsel, and the response should reference MUR 7690. After 15 days, we will prepare recommendations to the Commission, taking into account any response he submits in making our recommendations. For your information, enforcement procedures and options are discussed in the Commission's "Guidebook for Complainants and Respondents on the FEC Enforcement Process," which is available on the Commission's website at http://www.fec.gov/em/respondent_guide.pdf.

We strongly encourage that Mr. Lum Kee's response, if any, be filed via email at ksealls@fec.gov and cela@fec.gov. If his response is submitted via email, this Office will provide an electronic receipt by email. After 15 calendar days, we will make our recommendations to the Commission. The Commission will then consider the recommendations and take appropriate action.

This matter will remain confidential unless Mr. Lum Kee notifies the Commission in writing that he wishes the matter to be made public. *See* 52 U.S.C. § 30109(a)(4)(B), (a)(12). Please be advised that, although the Commission cannot disclose information regarding an investigation to the public, it may share any information Mr. Lum Kee provides with other law enforcement agencies, including the Department of Justice.⁷ While the matter remains open, it will remain confidential as set forth above. After the matter is closed, certain documents from the file will be made available to the public on the Commission's website. To learn more about the agency's disclosure policy, please see 81 Fed. Reg. 51, 702 (Aug. 2, 2016), <https://fec.gov/resources/cms-content/documents/notice2016-06.pdf>.

If you are indeed representing Mr. Lum Kee in this matter, please complete the enclosed Designation of Counsel form and return it to ksealls@fec.gov and cela@fec.gov. If you are not representing Mr. Lum Kee in this matter, kindly so inform us at ksealls@fec.gov and cela@fec.gov. Please note that Mr. Lum Kee has a legal obligation to preserve all documents, records, and materials relating to the subject matter of the complaint until such time as he is notified that the Commission has closed its file in this matter. *See* 18 U.S.C. § 1519.

If you have any questions, please contact Kenneth Sealls, the attorney assigned to this matter, at (202) 694-1210 or ksealls@fec.gov.

⁷ The Commission has the statutory authority to refer knowing and willful violations of the Act to the Department of Justice for potential criminal prosecution, 52 U.S.C. § 30109(a)(5)(C), and to report information regarding violations of law not within its jurisdiction to appropriate law enforcement authorities. *Id.* § 30107(a)(9).

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Sincerely,

Charles Kitcher by *KES*

Charles Kitcher
Associate General Counsel
for Enforcement

Enclosures
Complaint
Indictment

