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April 17, 2020

VIA EMAIL

Mr. Jeff S. Jordan, Esq.
Office of Complaints Examination and Legal Administration
Federal Election Commission
1050 First Street, NE
Washington, District of Columbia 20463

Attn: Kathryn Ross, Paralegal

MUR 7707: Response of Friends of Bill Posey – Nancy Watkins, Treasurer

Dear Mr. Jordan:

On behalf of Friends of Bill Posey and its Treasurer, Nancy Watkins, I submit this response to the complaint filed in the above-referenced Matter Under Review.

The complaint alleges that the American Muscle Car Museum made an impermissible in-kind corporate contribution to the Posey Committee when it permitted the Posey Committee to host a campaign event at the museum for three hours on September 7, 2019.

The Commission should dismiss this complaint and close the file in this matter because an individual, not a corporation, owns the property at issue. Alternatively, the Commission should dismiss this matter because the property at issue is customarily made available on the same terms to a range of clubs, civic and community organizations and other groups in the Melbourne, Florida area. Either way, no contribution resulted from the Posey Committee's use of the museum premises. In further alternative, if the Commission believes that a contribution may have resulted from the use for three hours of property owned by an individual, the Commission should find that any such contribution would have been de minimis, and dismiss the complaint in the exercise of its prosecutorial discretion.

Facts and Background

Friends of Bill Posey is the principal campaign committee of U.S. Representative Bill Posey, who represents Florida's Eighth Congressional District. Robert Burns, the campaign manager of one of the Democrats seeking that party's nomination to oppose Rep. Posey's re-election, filed



complaint that initiated this matter.

On September 7, 2019, the Posey Committee held a campaign rally for its supporters and their families at the Museum. The Committee had held two campaign fundraisers there over the years prior to the rally in September 2019.¹ Therefore, the Committee knew that the Museum customarily made its space available to groups in the Melbourne area to host private events at no charge on a first-come, first-served, space-available basis. See Exhibit A, Declaration of Amber Steigerwald ¶ 7. In fact, the complainant, Mr. Burns, knows this too. In his sworn complaint, he stated:

The Muscle Car Museum . . . is not open to the public **and holds numerous fundraisers throughout the year for many different organizations in the community.**

Compl. ¶ 2 (emphasis added).

For the September 2019 event, the Committee set a ticket price of \$5 per person or \$20 per family. Steigerwald Decl. ¶ 6. The Committee determined this price on its own, without input from the Museum, and kept the proceeds of ticket sales. Steigerwald Decl. ¶ 8D.² The Committee reported receipts from the event as required by the Act, Steigerwald Decl. ¶ 8E, although at such a low ticket price, many attendees at the event undoubtedly fell below the disclosure threshold.

The Committee paid all the costs of the event, such as invitations, name tags, food and beverages, event supplies, and private security service to provide traffic and crowd control. For all such expenditures, the Committee paid the vendor directly, using its own funds. Indeed, the Committee does not believe the Museum or its curator, Mark Pieloch, made any expenditure of their own funds in connection with the event. Steigerwald Decl. ¶ 8C.

The Committee's staff and volunteers ran the event. They set up the food, checked in guests, collected contributions and donor forms, and kept the event on schedule. Steigerwald Decl. ¶ 8B.

Analysis

For the following reasons, the Commission should dismiss the complaint.

¹ The complaint does not allege any violations of the Act arising out of these two prior events. Therefore, we do not address them in this response. In any event, they would be subject to the same legal analysis as the September 2019 event.

² The complainant appears to confuse the cost of admission to the September 7, 2019 campaign event, which was \$5 per person, with the cost of admission to the Museum, which he mistakenly believes to be \$100, and then equates the difference to be an in-kind campaign contribution. Regrettably, the complainant is mistaken.



1. Mark Pieloch personally owns the property at issue in this complaint. It is not a contribution for him to volunteer its use for the Posey Committee.

52 U.S.C. § 30101(8)(B)(ii) establishes that an individual's voluntary use of his or her real or personal property on behalf of a candidate is not a contribution. It provides:

(B) The term "contribution" does not include—

* * *

(ii) the use of real or personal property, including a church or community room used on a regular basis by members of a community for noncommercial purposes . . . voluntarily provided by an individual to any candidate or political committee of a political party in rendering voluntary personal services on the individual's residential premises or in the church or community room for candidate-related or political party-related activities . . .

52 U.S.C. § 30101(8)(B)(ii).

Public records reveal that Mr. Pieloch personally owns the real estate on which the Museum is situated as well as the building that houses its collection. See Property Record for 3500 Sarno Road, Melbourne, Florida, <https://www.bcpao.us/PropertySearch/#/account/2745421>. The Committee also has learned, through its investigation of this matter and preparation of its response, that Mr. Pieloch also owns the personal property that comprises the Museum's collection. Indeed, the Museum building is the garage for his extensive personal collection of automobiles, and therefore functions as an annex of his personal residence.³ To the extent that the statute requires an individual to provide volunteer services in connection with the use of his or her residential property in order to qualify for the exemption, see 11 C.F.R. § 100.75, Mr. Pieloch did so here. He attended the event, welcomed guests and gave tours of the Museum and his collection of cars. Accordingly, the use of the Museum for the campaign event on September 7, 2019 was not a contribution.⁴

³ According to Oxford English Dictionary, an "annex" is "[a] building joined to or **associated with a main building, providing additional space** or accommodations." (Emphasis added.) While some annexes are closely situated, others are not. The Smithsonian National Air and Space Museum maintains an annex some 30 miles West in Chantilly, Virginia, and the National Archives maintains annexes all over the country. Each such annex is a part of the institution that established and maintains it.

⁴ If the Museum building Mr. Pieloch owns and uses to garage his personal collection of cars does not constitute an annex and therefore is not a part of his residence, then it certainly constitutes a community room and, as such, is equally exempt from the Act's definition of contribution. The complaint admits as much: "The Muscle Car Museum . . . holds numerous fundraisers throughout the year for many different organizations in the community." See Compl. ¶ 2. The Commission's regulation 11 C.F.R. § 100.76 adds the additional requirement, not found in the statute, that a community room must be "available for use by members of the community without regard to political affiliation." The Posey Committee understands and



2. The property at issue in this complaint is customarily available on the same terms and conditions to clubs, civic or community organizations, or other groups.

The property at issue in this complaint is not the property of any incorporated entity. Therefore, the Commission's corporate contribution rules do not apply. If the Commission were to apply them, however, the result is the same. The Posey Committee's use of the Museum for the September 7, 2019 campaign event was permissible.

11 C.F.R. § 114.13 provides:

[A] corporation or labor organization which customarily makes its meeting rooms available to clubs, civic or community organizations or other groups may make such facilities available to a political committee or candidate if the meeting rooms are made available to any candidate upon request and on the same terms given to other groups using the meeting rooms.

In this matter, the Posey Committee believed and understood that the Museum was customarily available for use by the Melbourne area community. Steigerwald Decl. ¶ 7. The complainant acknowledges that as fact, too. Compl. ¶ 2. Importantly, however, the Committee always understood that the terms of use of the Museum were that it could be reserved on a "first-come, first-served, space-available basis." Steigerwald Decl. ¶ 7. On that basis, the Committee did not believe its use of the Museum for the campaign event in question would constitute a contribution from the Museum, and believed it was permissible to hold the event there. For these same reasons—principally, because the space at issue was "customarily made available"—the Committee's use of it does not give rise to unlawful corporate facilitation of contributions under 11 C.F.R. § 114.2(f)(2)(i)(D).

Conclusion

For all the foregoing reasons, I urge the Commission to find that no contribution resulted from the Posey Committee's event at the Museum, dismiss the complaint and close its file in this matter. Alternatively, the Commission could dismiss this matter in the exercise of its prosecutorial discretion, given that any contribution resulting from the use for three hours of real and personal property owned by an individual would be de minimis.

Sincerely,

Chris Ashby
 Counsel, Friends of Bill Posey – Nancy Watkins, Treasurer

believes that Mr. Pieloch made the Museum available to a wide range of community organizations, and has no reason to believe and in fact highly doubts that Mr. Pieloch ever denied its use due to political affiliation.

DECLARATION OF AMBER STEIGERWALD


1. I am the Finance Director for Friends of Bill Posey (the "Committee"), the principal campaign committee of U.S. Representative Bill Posey, who is a candidate for re-election from Florida's Eighth Congressional District.
2. In my capacity as Finance Director, and in other positions I've previously held with the Committee, I have been and am personally involved in and familiar with the Committee's fundraising and event planning efforts, including those involving events held at the American Muscle Car Museum in Melbourne, Florida (the "Museum").
3. Over the past several years, the Committee has held a total of three events at the Museum. The first event was a campaign fundraising event on February 19, 2018. The lowest ticket price for this event was \$100 per person.
4. The Committee thought that the first event went well. Having held one successful event there, the Committee thought it could hold another, even more successful event there in the future. I recall that, following the conclusion of the event, the Museum's curator, Mark Pieloch ("Mr. Pieloch"), told us to contact him if we wanted to do so.
5. The second event was a campaign fundraising event on September 11, 2018. The lowest ticket price for this event was \$100 per person. The event was a great success, and we discussed holding another event at the museum in 2019 if we wanted to. I also may have seen Mr. Pieloch at a social event later in 2018 or early in 2019 and discussed again that the Committee would hold another event at the museum in 2019. Ultimately, we scheduled the event for September 7, 2019.
6. The September 7, 2019 event was a campaign rally for supporters and their families. The lowest ticket price for this event was \$5 per person or \$20 per family.
7. The Committee understood and believed that the Museum customarily made its event space available to groups in the Melbourne area to host private events at no charge on a first-come, first-served, space-available basis.
8. For all three events the Committee has held at the Museum:
 - A. The Museum did not charge the Committee for the use of its event space.
 - B. The Committee's staff and volunteers ran the event, including by setting up the food, checking in guests and collecting their contributions and donor forms, and keeping the event on schedule.
 - C. The Committee paid all the hard costs of the event, such as invitations, name tags, refreshments and event supplies. For all such expenditures, the Committee paid the vendor directly, using its own funds. The Committee does not believe Mr. Pieloch or the Museum made any expenditure of their own funds in connection with any of the three campaign events.

D. The Committee determined the ticket prices for each event, and the Committee kept the funds received in connection with each event.

E. The Committee reported all receipts and disbursements collected or made in connection with each event when, as and to the extent required by law and regulation, including the reporting thresholds of the Federal Election Campaign Act.

9. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statement is true and correct to the best of my personal knowledge, information and belief.

AMBER STEIGERWALD

A handwritten signature in black ink, appearing to read "Amber Steigerwald", is written over a horizontal line.

Date: April 17, 2020