

1 **FEDERAL ELECTION COMMISSION**

2 **FIRST GENERAL COUNSEL'S REPORT**

3 **MUR: 7707**

4 DATE COMPLAINT FILED: February 20, 2020

5 DATE OF NOTIFICATION: February 25, 2020

6 LAST RESPONSE RECEIVED: April 23, 2020

7 DATE ACTIVATED: May 5, 2020

8 EARLIEST SOL: February 18, 2023

9 LATEST SOL: September 7, 2024

10 ELECTION CYCLE: 2020

11 **COMPLAINANT:**

12 Robert Burns, Campaign Manager

13 Jim Kennedy for Congress

14 **RESPONDENTS:**

15 Friends of Bill Posey and Nancy H. Watkins

16 in her official capacity as treasurer

17 Bill Posey

18 American Muscle Car Museum, Inc.

19 Mark Judson Pieloch

20 Tetiana Pieloch

21 **RELEVANT STATUTES  
22 AND REGULATIONS:**

23 52 U.S.C. § 30101(8)(B)(i), (ii)

24 52 U.S.C. § 30104(b)

25 52 U.S.C. § 30116(a), (f)

26 52 U.S.C. § 30118(a)

27 11 C.F.R. § 100.74

28 11 C.F.R. § 100.75

29 11 C.F.R. § 100.76

30 11 C.F.R. § 110.1(b)(1)(i)

31 11 C.F.R. § 114.2(f)

32 **INTERNAL REPORTS CHECKED:**

33 Disclosure Reports

34 **FEDERAL AGENCIES CHECKED:**

35 None

36 **I. INTRODUCTION**

37  
38 The Complaint alleges that Bill Posey and his principal campaign committee, Friends of  
39 Bill Posey (the "Posey Committee"), accepted prohibited and excessive contributions from the  
40 American Muscle Car Museum, Inc. (the "Museum"), Mark Pieloch, the President and owner of

1 the Museum, and his wife, Tetiana Pieloch, in connection with campaign events the Posey  
2 Committee held at the Museum in 2018 and 2019.<sup>1</sup> The Complaint further alleges that the  
3 Museum denied a request from a representative for Jim Kennedy for Congress, Posey's  
4 opponent, to host a similar fundraiser.<sup>2</sup> Finally, the Complaint alleges that the Posey Committee  
5 failed to report contributions received and expenditures made at those events.<sup>3</sup>

6 Respondents deny the allegations and contend that the Posey Committee's use of the  
7 Museum was exempt as a contribution under the Federal Election Campaign Act of 1971, as  
8 amended (the "Act") and Commission regulations. They claim that Pieloch personally owns the  
9 venue at which the events took place; neither Pieloch nor the Museum charge fees for use of the  
10 venue, which is made available to other civic and non-profit organizations on similar terms; and  
11 Pieloch frequently volunteers his time for civil and charitable events held at the Museum.<sup>4</sup>  
12 Further, Respondents argue that even if a contribution resulted from the use of the venue, the  
13 monetary value was likely *de minimis*, and the Commission should dismiss the matter in the  
14 exercise of its prosecutorial discretion.<sup>5</sup>

15 The available information indicates that the Posey Committee's use of the venue did not  
16 result in a prohibited corporate contribution because Pieloch, not the Museum, owns the real

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<sup>1</sup> Compl. ¶¶ 2,3 5 (Feb. 20, 2020).

<sup>2</sup> *Id.* ¶ 6.

<sup>3</sup> *Id.* ¶ 4.

<sup>4</sup> The Museum and the Pielochs submitted a joint response, which includes a Declaration by Andrew Mackey, the Event and Media Coordinator for the Museum. *See* Museum Resp. (Apr. 18, 2020), Exhibit A, Andrew Mackey Decl. (Apr. 15, 2020) ("Mackey Decl."). The Posey Committee's response includes a Declaration by Amber Steigerwald, finance director for the Committee. *See* Posey Resp. (Apr. 18, 2020), Exhibit A, Amber Steigerwald Decl. (Apr. 17, 2020) ("Steigerwald Decl.").

<sup>5</sup> Museum Resp. at 4; Posey Resp. at 1.

1 property where the Museum is located and personally owns the cars displayed at the Museum.  
2 Further, Pieloch does not appear to have made an excessive contribution to the Posey Committee  
3 because the exemption for a community room or church likely applies. While there may be a  
4 question as to whether Jim Kennedy's campaign was denied use of the venue because of partisan  
5 considerations, Respondents provided sworn statements, averring that such considerations did  
6 not play a role in rejecting the request. Further, the likely dollar amount of the potential  
7 violations appear to be low. We therefore do not recommend that the Commission use its  
8 resources to investigate this matter.<sup>6</sup>

9       Accordingly, we recommend that the Commission find no reason to believe that: (1)  
10 American Muscle Car Museum, Inc., made, and Posey and the Posey Committee accepted, a  
11 prohibited corporate in-kind contribution in violation of 52 U.S.C. § 30118(a); (2) Mark Pieloch  
12 consented to the making of such contribution in violation of 52 U.S.C. § 30118(a); and (3) the  
13 Posey Committee failed to report corporate contributions in violation of 52 U.S.C. § 30104(b).  
14 In addition, we recommend that the Commission dismiss the allegations that Mark and Tetiana  
15 Pieloch made, and Posey and the Posey Committee, accepted excessive contributions in violation  
16 of 52 U.S.C. § 30116(a) and (f), and that the Posey Committee failed to report excessive  
17 contributions in violation of 52 U.S.C. § 30104(b). Finally, because the available information  
18 does not indicate that the Posey Committee failed to report contributions raised or expenditures  
19 made in connection with these events, we recommend that the Commission find no reason to  
20 believe that the Posey Committee violated 52 U.S.C. § 30104(b).

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<sup>6</sup> *See Heckler v. Chaney*, 470 U.S. 821, 831 (1985).

1     **II.     FACTUAL BACKGROUND**

2             Friends of Bill Posey is the principal campaign committee of U.S. Representative Bill  
3     Posey, who represents Florida's Eighth Congressional District. Nancy Watkins is the Posey  
4     Committee's treasurer. Jim Kennedy is Posey's opponent in the 2020 general election.

5             The Museum, a section 501(c)(3) organization established under the Internal Revenue  
6     Code,<sup>7</sup> is a private automobile museum located in Melbourne, Florida.<sup>8</sup> Mark Pieloch, a Florida  
7     businessman, is the President and Curator of the museum and owns the real estate where the  
8     Museum is located.<sup>9</sup> Records for Pieloch's property describe the property as a "Permanent  
9     Exhibit" consisting of one "commercial unit" and "0" residential units.<sup>10</sup> Pieloch also owns the  
10    more than 300 automobiles displayed at the Museum.<sup>11</sup> Mark and Tetiana Pieloch are supporters  
11    of Posey, each having made maximum contributions to Posey's 2018 and 2020 campaigns.<sup>12</sup>

12            In 2016, Pieloch established the Museum to make the property and automobiles available  
13    for tours and use by civic and charitable organizations.<sup>13</sup> The Museum does not lease the

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<sup>7</sup>         *See* Museum website, <https://www.americanmusclecarmuseum.com/> Screenshot of American Muscle Car Museum, Inc. (last accessed July 23, 2020).

<sup>8</sup>         Museum Resp. at 2 (Apr. 18, 2020).

<sup>9</sup>         <https://www.americanmusclecarmuseum.com/> (last accessed July 23, 2020).

<sup>10</sup>        *See* Property Record for 3500 Sarno Road, Melbourne, Florida, <https://www.bcpao.us/PropertySearch/#/account/2745421>. The Museum does not appear to be co-located with Pieloch's residence.

<sup>11</sup>        Museum Resp. at 2.

<sup>12</sup>        *See* Posey 2017 Year-End Report at 13 (reporting \$2,700 contributions from Tetiana and Mark Pieloch); Posey 2018 April Quarterly at 30 (reporting \$2,700 contributions from Tetiana and Mark Pieloch).

<sup>13</sup>        Museum Resp. at 2.

1 premises or the vehicles, nor is it open for general public admission.<sup>14</sup> The Museum states that it  
 2 never charges any fee for activities held at the venue,<sup>15</sup> and that Pieloch volunteers his time to  
 3 welcome attendees and give free tours of his automobiles.<sup>16</sup>

4 The Posey Committee held three campaign events at the museum: two campaign  
 5 fundraising events on February 19, 2018 and September 11, 2018, and a campaign rally for  
 6 supporters and their families on September 7, 2019.<sup>17</sup> According to its disclosure reports filed  
 7 with the Commission, the Posey Committee disclosed no itemized contributions made on the  
 8 date of the first fundraiser held on February 19, 2018; seven itemized contributions totaling  
 9 \$3,950 made on the date of the second fundraiser held on September 11, 2018; and three  
 10 itemized contributions totaling \$1,255 made on the date of the campaign rally/fundraiser held on

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<sup>14</sup> *Id.*; Mackey Decl. ¶¶ 2-3. According to the Museum's website, the private museum is a 123,000 square foot complex, located on 42 acres in Melbourne, Florida, which includes 90,000 square feet of vehicle display area, an 18,000 square feet showroom, and an adjacent 15,000 square feet maintenance and restoration collection.

<sup>15</sup> Museum Resp. at 2. The Museum states that Complaint's assertion that the Museum maintains a "regular entry price to the museum [that] is and has been \$100 per person" and "discount[ed] the admission price by 95% for attendees of the Posey Committee's event," is mistaken. Museum Resp. at 2, n.8. Each organization that uses the venue decides whether to request contributions, and how much to request, in connection with their events, and each organization handles their own contributions without involvement of the Museum. Mackey Decl. ¶¶ 5, 7.

<sup>16</sup> Museum Resp. at 2; Mackey Decl. ¶ 9.

<sup>17</sup> Steigerwald Decl. ¶¶ 3, 5, 6. Included with the Complaint are screenshots of flyers for the September 7, 2019 and September 11, 2018 events. The flyer for the September 7, 2019, event displays a banner headline "Posey Victory Team 2020," and an invitation "to join Bill & Katie Posey for a day of fun at American Muscle Car Museum." The event date is posted as "Saturday, September 7<sup>th</sup> 10 AM – 1 PM" and states "\$5 per Person and \$20 per Family." The invitation to the Posey fundraising event held at the Museum on September 11, 2018 states: "Please join Former Race Car Driver Congressman Bill Posey For a Special Event to Benefit the Friends of Bill Posey Committee Florida District 8." It displays the name "American Muscle Car Museum," the time 6-8 pm, \$100 general attendee admission, half price for military personnel, police and firefighters and a "\$1,000 –VIP Attendee" ticket, which includes "VIP Reception and private tour with Congressman Posey and American Muscle Car Museum owner, Mark Peiloch."

1 September 7, 2019.<sup>18</sup> The Posey Committee also disclosed disbursements for food and catering  
 2 around the time of the events.<sup>19</sup>

3 The Complaint alleges that on an unidentified date, the Kennedy campaign formally  
 4 requested to use the Museum to hold a fundraising event but was told that the Museum did not  
 5 participate in political campaigns “but made an exception for Mr. Posey.”<sup>20</sup> The Museum denies  
 6 this allegation. According to Andrew Mackey, the Museum’s Event and Media Coordinator, the  
 7 Museum’s availability is limited as the venue is closed on major holidays, for maintenance and  
 8 cleaning, and whenever Pieloch is away on travel.<sup>21</sup> He further avers that due to high demand,  
 9 the venue became fully booked through 2020 by late 2018, and the Museum began declining  
 10 requests for new bookings at that time.<sup>22</sup> Mackey states that in October 2018, the Museum  
 11 posted a message on its website that stated:<sup>23</sup>

12 WE ARE NOT ACCEPTING ANY NEW CHARITY FUNDRAISERS AT THIS  
 13 TIME! Please do not contact us to host any new future charity fundraisers since  
 14 we currently have over 200 charities on our waiting lists.  
 15

16 Mackey acknowledges that after the Posey campaign event in September 2019, he  
 17 received a call from an individual who apparently represented the Kennedy campaign and

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<sup>18</sup> See Posey 2018 October Quarterly Report (contributions dated Sept. 11, 2018); 2019 October Quarterly Report (contributions dated Sept. 7, 2019).

<sup>19</sup> See Posey 2018 April Quarterly Report (disbursements for flowers and office supplies on Feb. 19, 2018); Posey 2018 October Quarterly (disbursements for flowers, event membership, advertisements on Sept. 11, 2018); Posey 2019 October Quarterly (disbursements for pizza, office supplies, Panera Bread on Sept. 7, 2019).

<sup>20</sup> Compl. ¶ 6.

<sup>21</sup> Mackey Decl. ¶ 10.

<sup>22</sup> *Id.* ¶ 11.

<sup>23</sup> *Id.*

1 requested to hold an event at the Museum.<sup>24</sup> Mackey states that he advised the Kennedy  
 2 representative, as he did other requestors, that the venue was fully booked through 2020.<sup>25</sup>  
 3 Mackey stated that “the call ended there” and that he did not tell the Kennedy agent that the  
 4 Posey event in September 2019 was an “exception.”<sup>26</sup> He also avers that he declined the  
 5 Kennedy request solely due to the scheduling backlog and not because of the Kennedy “group’s  
 6 partisanship.”<sup>27</sup> Mackey states that the Museum is now closed due to the coronavirus pandemic  
 7 and the events scheduled for 2020 have been postponed or cancelled.<sup>28</sup>

8 According to Amber Steigerwald, the Posey Committee’s finance director, the success of  
 9 the Posey Committee’s first fundraising event at the Museum spurred it to hold two more events  
 10 there.<sup>29</sup> She states that she “may have seen Mr. Pieloch at a social event later in 2018 or early  
 11 2019 and discussed again that the [Posey] Committee would hold another event at the museum in  
 12 2019,” “ultimately scheduling the event for September 7, 2019.”<sup>30</sup> She asserts that “[t]he  
 13 Committee understood and believed that the Museum customarily made its event space available

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<sup>24</sup> *Id.* ¶ 15.

<sup>25</sup> *Id.*

<sup>26</sup> *Id.* ¶¶ 15, 16.

<sup>27</sup> *Id.* ¶ 15.

<sup>28</sup> *Id.* ¶ 12.

<sup>29</sup> Steigerwald Decl. ¶¶ 4, 5.

<sup>30</sup> *Id.* Steigerwald’s statement that she “discussed again” with Pieloch in “late 2018 or early 2019” about holding another Posey event in 2019, does not necessarily contradict Mackey’s statement that the Museum issued a moratorium against new bookings by October 2018. As noted above, Mackey averred that the Museum had made a commitment to the Posey campaign about holding a third event and Steigerwald’s statement suggests there were prior discussions about that event before her “late 2018 and early 2019” discussion with Pieloch. In any event, any discussions about the third event preceded the timeframe of Kennedy’s request.

1 to groups in the Melbourne area to host private events at no charge on a first-come, first-served,  
 2 space-available basis.”<sup>31</sup>

### 3 **III. LEGAL ANALYSIS**

#### 4 **A. Legal Standard**

5 The Act defines the term “contribution” to include “any direct or indirect payment,  
 6 distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to  
 7 any candidate [or] campaign committee . . . in connection with any election . . . .”<sup>32</sup> The term  
 8 “anything of value” includes all in-kind contributions.<sup>33</sup> In-kind contributions include, among  
 9 other things, “the provision of any goods or services without charge or at a charge that is less  
 10 than the usual and normal charge for such goods or services.”<sup>34</sup>

11 The term “contribution,” however, does not include “the use of real or personal property,  
 12 including a church or community room used on a regular basis by members of a community for  
 13 noncommercial purposes, . . . voluntarily provided by an individual to any candidate. . . in  
 14 rendering voluntary personal services on the individual’s residential premises . . . for candidate-  
 15 related . . . activities . . . .”<sup>35</sup> Under Commission regulations, no contribution results where an  
 16 individual, in the course of volunteering personal services on his residential premises to a  
 17  
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<sup>31</sup> *Id.* ¶ 7.

<sup>32</sup> 52 U.S.C. § 30101(8)(a).

<sup>33</sup> 11 C.F.R. § 100.52(d)(1).

<sup>34</sup> *Id.*

<sup>35</sup> 52 U.S.C. § 30101(8)(B)(ii). The statute also exempts from the definition of “contribution” the “cost of invitations, food, and beverages” provided by the volunteer in connection with the event. 52 U.S.C. § 30101(8)(B)(ii). That provision is not relevant here because the Posey Committee paid for its own invitations, food and beverages. Steigerwald Decl. ¶¶ 4,5; Mackey Decl. ¶ 14. ; 11 C.F.R. §§ 100.74, 100.75 and 100.76.

1 candidate, provides the use of his real or personal property for candidate-related activity.<sup>36</sup> In  
2 addition, Commission regulations exempt a volunteer's use of a church or community room,  
3 provided that such a church or community room be "used on a regular basis by members of the  
4 community for non-commercial purposes and the room is available for use by members of the  
5 community without regard to political affiliation."<sup>37</sup>

6 A treasurer of a political committee must file reports of receipts and disbursements in  
7 accordance with the provisions of 52 U.S.C. § 30104(b) and 11 C.F.R. §§ 104.1 and 104.3.<sup>38</sup>  
8 Reports must itemize contributions aggregating more than \$200 from a contributor during a  
9 calendar year<sup>39</sup> by providing the name, address, and occupation of the contributor and the date  
10 and amount of receipt of the contribution.<sup>40</sup>

11 Corporations are prohibited from making a contribution to a federal candidate or his or  
12 her authorized campaign committee,<sup>41</sup> and an officer or director of a corporation may not consent  
13 to such contribution.<sup>42</sup> Further, the Act prohibits any person from making excessive

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<sup>36</sup> 11 C.F.R. § 100.75.

<sup>37</sup> 11 C.F.R. § 100.76

<sup>38</sup> 52 U.S.C. § 30104(a)(1); 11 C.F.R. § 104.1(a).

<sup>39</sup> *See* 52 U.S.C. § 30104(b)(3), (5).

<sup>40</sup> 11 C.F.R. § 104.8(b). A campaign may not accept more than \$100 in cash from a particular source, 11 C.F.R. § 110.4 (c), and an anonymous contribution of cash is limited to \$50.

<sup>41</sup> 52 U.S.C. § 30118(a).

<sup>42</sup> *Id.*

1 contributions.<sup>43</sup> Candidates and political committees may not knowingly accept prohibited or  
 2 excessive contributions.<sup>44</sup>

3 **B. The Commission Should Find No Reason to Believe that the Museum or**  
 4 **Pieloch Made Unreported, Prohibited In-Kind Contributions to Posey and**  
 5 **the Posey Committee**  
 6

7 The Complaint alleges that the Museum, a non-profit corporation, made prohibited in-  
 8 kind contributions to Posey and the Posey Committee by allowing the Posey campaign to hold  
 9 campaign events at the Museum at no charge. Respondents, however, contend the corporate  
 10 contribution rules do not apply because Pieloch, not the Museum, owns the facility and vehicles,  
 11 and the Museum does not lease the premises or charge any admissions for events. Publicly  
 12 available property records confirm Pieloch's ownership of the premises.<sup>45</sup> Accordingly, the facts  
 13 do not indicate that the Museum made a prohibited contribution, and there were no in-kind  
 14 corporate contributions to disclose.

15 We therefore recommend that the Commission find no reason to believe that the Museum  
 16 made, and Mark Pieloch consented to the making of prohibited, in-kind contributions, in  
 17 violation of 52 U.S.C. § 30118(a). Further, we recommend that the Commission find no reason  
 18 to believe that Posey and the Posey Committee accepted prohibited corporate in-kind  
 19 contributions in violation of 52 U.S.C. § 30118(a) and that the Posey Committee failed to report  
 20 such contributions in violation of 52 U.S.C. § 30104(b).

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<sup>43</sup> 52 U.S.C. §§ 30116(a), 30118(a); 11 C.F.R. §§ 110.1(b)(1), 110.9, 114.2(b). For the 2020 election cycle, the Act limits contributions by persons to any candidate and his or her authorized political committees to \$2,800 per election. 52 U.S.C. § 30116(a)(1)(A); 11 C.F.R. § 110.1(b)(1)(i); Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold, 84 Fed. Reg. 2504, 2506 (Feb. 7, 2019). For the 2018 election cycle, the individual contribution limit was \$2,700. Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold, 82 Fed. Reg. 10904 (Feb. 16, 2017).

<sup>44</sup> 52 U.S.C. §§ 30116(f), 30118(a).

<sup>45</sup> <https://www.bcpao.us/PropertySearch/#/account/2745421>.(last accessed July 24, 2020).

1           **C.     The Factual Record Does Not Support Finding Reason to Believe that**  
 2           **Pieloch Made Unreported Excessive Contributions to Posey and the Posey**  
 3           **Committee**

4  
 5           Although the facts indicate that the Museum cannot be held liable for making a  
 6 prohibited contribution, Pieloch, as the actual owner of the property in question, may have made  
 7 an excessive contribution in connection with the Posey campaign's events. Respondents contend  
 8 that providing the free use of the Museum is exempt as a contribution under the Act and  
 9 Commission regulations.

10           Here, the record suggests that the exemption for use of a church or community room  
 11 applies to the Posey Committee's free use of Pieloch's property, provided that the Museum was  
 12 "used on a regular basis by members of the community for non-commercial purposes" and was  
 13 "available for use by members of the community without regard to political affiliation."<sup>46</sup> The  
 14 Museum and Pieloch submitted a sworn declaration by Mackey, the Museum's Event and Media  
 15 Coordinator, attesting that Pieloch made the event space available on a regular basis to members  
 16 of the community for noncommercial purposes,<sup>47</sup> and that Pieloch volunteered his time to attend  
 17 events, welcome guests, and give tours of the Museum.<sup>48</sup> We are not aware of any facts  
 18 indicating otherwise.

19           In order to qualify for this exemption, however, the Museum must be made available  
 20 "without regard to political affiliation," a factor that is at issue here because the Complainant

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<sup>46</sup> 11 C.F.R. § 100.76

<sup>47</sup> Mackey Decl. ¶ 4; *see* American Muscle Car Museum Past Event at <https://www.americanmusclecarmuseum.com/muscle-car-past-events.html>. (last accessed Jul. 20, 2020).

<sup>48</sup> Mackey Decl. ¶ 9; Museum Resp. at 2. Pieloch's unpaid services at the events appear to qualify for the exemption from the definition of "contribution" for the value of uncompensated services provided by any individual who volunteers on behalf of a candidate or political committee (52 U.S.C. § 30101(8)(B)(ii)).

1 alleges that the Museum refused to host a similar fundraiser for Kennedy and both Pieloch and  
2 his wife, Tetiana Pieloch, are supporters of Posey, each having made maximum contributions to  
3 Posey's 2018 and 2020 Congressional campaigns.<sup>49</sup>

4         The Museum denies that any partisan considerations played a role in declining Kennedy's  
5 request, and Mackey's sworn declaration avers it was unable to schedule the event during the  
6 requested period because the Museum was fully booked.<sup>50</sup> Mackey provides specific facts  
7 detailing how the Museum allowed the Posey campaign to hold its events on February and  
8 September 2018, before the Museum posted its policy on the backlog on the Museum website in  
9 October 2018.<sup>51</sup> With respect to the September 2019 event, he further avers the Museum had  
10 made a commitment to the Posey Committee in September 2018.<sup>52</sup> Furthermore, based on  
11 firsthand knowledge, Mackey admits that he spoke to a representative from Kennedy's campaign  
12 and provides details of the particular conversation, stating that he rejected the Kennedy  
13 campaign's request because the Museum's schedule was full beginning in October 2018.<sup>53</sup>  
14 Mackey avers that he declined the Kennedy request solely due to the scheduling backlog and not  
15 because of the Kennedy "group's partisanship."<sup>54</sup>

16         Although we cannot conclusively determine whether the Museum denied the Kennedy  
17 campaign's request on a non-partisan basis, the circumstances in this matter do not warrant the

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<sup>49</sup> Compl. ¶ 6.

<sup>50</sup> Mackey Decl. ¶¶ 15, 16.

<sup>51</sup> *Id.* ¶ 13.

<sup>52</sup> *Id.*

<sup>53</sup> *Id.* ¶¶ 15, 16.

<sup>54</sup> *Id.* ¶ 15.

1 further expenditure of Commission resources. The Complaint alleges that the Museum denied its  
2 request to hold an event there, claiming “[i]t was stated that they do not participate in political  
3 campaigns but made an exception for Mr. Posey.”<sup>55</sup> But the Complaint does not provide any  
4 other facts indicating who was speaking, when the conversation occurred, or what was exactly  
5 discussed. And as described above, the Museum has provided a sworn declaration rebutting the  
6 Complaint’s allegation with specificity.

7         Moreover, the dollar value of the potential violation does not appear to be significant.  
8 First, Pieloch does not appear to charge a fee for the use of the Museum to any organization, and  
9 assessing a value for the rental of the venue may be difficult. Second, Commission reports  
10 appear to confirm that the Posey Committee paid for the other expenses related to holding the  
11 campaign events in question. These factors appear to counsel against the Commission using its  
12 limited resources to conduct an investigation to resolve the factual disputes in this matter.

13         Accordingly, we recommend that the Commission dismiss the allegations that the use of  
14 the venue resulted in unreported excessive contributions from the Pielochs to Posey and the  
15 Posey Committee, in violation of 52 U.S.C. §30116(a) and (f) or that the Posey Committee failed  
16 to report these contributions in violation of 52 U.S.C. § 30104(b).<sup>56</sup>

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<sup>55</sup> Compl. ¶ 6.

<sup>56</sup> Although the Posey Committee contends that the use of the Museum qualifies for the exemption at 11 C.F.R. § 100.75, the available information does not support Respondents’ assertion that the Museum is part of the Pielochs’s personal residence. Respondents provided no information to support their assertion that the Museum functions as Pieloch’s personal garage and is an annex of or extension of Pieloch’s personal residence. As a factual matter, the Museum is not referred to as part of the Pieloch’s residence or his garage and the Museum’s website does not describe it as such. Moreover, the property records describe the venue as a commercial unit.

1           **D.     The Commission Should Find No Reason to Believe that the Committee**  
 2           **Failed to Report Contributions Received and Expenditures Made at the**  
 3           **Campaign Events**

4  
 5           The Complaint alleges that the Posey Committee failed to disclose contributions from  
 6 donors who attended the Posey Committee's campaign events held at the Museum and  
 7 expenditures made at the campaign events at issue. The Posey Committee states that it paid all  
 8 expenses for and reported all contributions received at and expenditures made in connection with  
 9 the event as required by the Act, and the low ticket price may have resulted in many  
 10 contributions falling below the itemization threshold.<sup>57</sup> Posey Committee disclosure reports  
 11 reflect receipt of contributions made on the dates of two of the fundraising events and  
 12 disbursements for catering, food, and beverage around the time of these events.<sup>58</sup> We have no  
 13 information that the Posey Committee failed to report any contributions or expenditures in  
 14 connection with these events. Accordingly, we recommend that the Commission find no reason  
 15 to believe that the Posey Committee failed to report contributions raised and expenditures made  
 16 in connection with these events.

17 **IV.   RECOMMENDATIONS**

- 18 1.     Find no reason to believe that American Muscle Car Museum, Inc. made and Mark  
 19     Judson Pieloch consented to the making of a prohibited in-kind contribution, in violation  
 20     of 52 U.S.C. § 30118(a);  
 21  
 22 2.     Find no reason to believe that Bill Posey accepted a prohibited in-kind contribution in  
 23     violation of 52 U.S.C. § 30118(a);

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<sup>57</sup> Steigerwald avers that for all three events: 1) the Museum did not charge the Posey Committee for the use of its event space and neither the Museum nor Pieloch expended any funds in connection with the events; 2) the Posey Committee set ticket prices for each of the events (\$100 as the lowest price for the February 19th and September 11th events) and a lowest ticket price of \$5 per person and \$20 per family for the September 7th event, kept the funds received from each event, and reported all receipts and disbursements collected or made in connection with each event, in disclosure reports to the Commission; 3) the Posey Committee's staff and volunteers ran the event, including keeping the event schedule, setting up the food, checking in guests and collecting contributions and donor forms; and 4) the Posey Committee paid the vendor directly, using its own funds, for all the costs of the events, such as invitations, name tags, refreshments and event supplies. Steigerwald Decl. ¶ 8.

<sup>58</sup> See *supra* pp. 5-6.

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- 1  
2 3. Find no reason to believe that Friends of Bill Posey and Nancy H. Watkins in her official  
3 capacity as treasurer accepted and failed to report prohibited in-kind contributions in  
4 violation of 52 U.S.C. §§ 30118(a) and 30104(b);  
5  
6 4. Find no reason to believe that Friends of Bill Posey and Nancy H. Watkins in her official  
7 capacity as treasurer violated 52 U.S.C. § 30104(b) by failing to report contributions  
8 received and expenditures made at the relevant campaign events;  
9  
10 5. Dismiss the allegations that Mark Judson Pieloch and Tetiana Pieloch made, and Bill  
11 Posey received, excessive in-kind contributions in violation of 52 U.S.C. § 30116(a) and  
12 (f);  
13  
14 6. Dismiss the allegations that Friends of Bill Posey and Nancy H. Watkins in her official  
15 capacity as treasurer accepted and failed to report excessive contributions 52 U.S.C.  
16 §§ 30116(f), and 30104(b);  
17  
18 7. Approve the attached Factual & Legal Analysis;  
19  
20 8. Approve the appropriate letters; and  
21  
22 9. Close the file.  
23

24 Lisa J. Stevenson  
25 Acting General Counsel

26 Charles Kitcher  
27 Acting Associate General Counsel for Enforcement  
28  
29

30  
31 September 2, 2020

32 Date

33 Peter G. Blumberg  
34 Peter G. Blumberg  
35 Acting Deputy Associate General Counsel  
36 for Enforcement

37 Jin Lee  
38 Jin Lee  
39 Acting Assistant General Counsel  
40

41 Dominique Dillenseger  
42 Dominique Dillenseger  
43 Attorney  
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46

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