

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2

3 In the Matter of)

4)

5 Americans for Progressive Action USA)

6 and Christopher Henry)

7 Richardson f/k/a Christopher Henry) **MUR 7738**

8 Aragon in his official capacity)

9 as treasurer¹)

10 Christopher Henry Richardson f/k/a)

11 Christopher Henry Aragon)

12

13 **THIRD GENERAL COUNSEL’S REPORT**

14

15 **I. ACTIONS RECOMMENDED**

16 We recommend that the Commission: (1) find reason to believe that Christopher Henry

17 Richardson f/k/a Christopher Henry Aragon and Americans for Progressive Action USA and

18 Christopher Henry Richardson f/k/a Christopher Henry Aragon in his official capacity as

19 treasurer knowingly and willfully violated 52 U.S.C. § 30104(b) by filing false disclosure reports

20 with the Commission; (2) enter into pre-probable cause conciliation with Respondents;

21 (3) approve the appropriate letter; and (4) approve the attached conciliation agreement.

22 **II. DISCUSSION**

23 **A. Procedural Background**

24 On March 22, 2022, the Commission found reason to believe that Americans for

25 Progressive Action USA and Evan Jones in his official capacity as treasurer (the “Committee”),

26 Evan Jones in his personal capacity, and Unknown Respondent violated 52 U.S.C. § 30104(b) by

27 filing false disclosure reports.² The Commission also approved the use of compulsory process

¹ The record indicates that Richardson was the true treasurer of Americans for Progressive Action USA and used Evan Jones as an alias on the Statement of Organization and disclosure reports filed with the Commission.

² Certification (“Cert.”) ¶¶ 1-3, MUR 7738 (Americans for Progressive Action USA, *et al.*) (Mar. 23, 2022).

1 and subsequently approved subpoenas to several entities.³ The investigation determined that
2 Jones was not the true treasurer of the Committee but was an alias used by Christopher Henry
3 Richardson f/k/a Christopher Henry Aragon (“Richardson”) to file false reports with the
4 Commission. On September 9, 2022, the Commission substituted his name in the place of
5 “Unknown Respondent” in the Commission’s previous findings and Factual and Legal Analysis
6 that Unknown Respondent violated 52 U.S.C. § 30104(b) by filing false disclosure reports with
7 the Commission and also approved a deposition subpoena for Richardson.⁴ On December 8,
8 2022, Richardson appeared for a deposition.⁵

9 **B. Summary of Investigation**

10 Richardson was born Christopher Henry Aragon but changed his name to Christopher
11 Henry Richardson after he became married.⁶ He is originally from Texas and currently resides
12 in New Jersey where he works at a furniture manufacturer.⁷

13 As discussed in the Second General Counsel’s Report, the investigation determined that
14 between 2014 and 2019, after Richardson was released from prison after serving a sentence for a
15 criminal conviction,⁸ Richardson made hundreds of small contributions to Act Blue, Emily’s
16 List, and other committees using his own name or his name combined with the surnames Bass
17 and Richardson — the surnames of wealthy families that are famous for their gas and oil

³ *Id.* ¶ 5; Cert., MUR 7738 (Americans for Progressive Action USA, *et al.*) (May 6, 2022).

⁴ Cert. ¶¶ 1-3, MUR 7738 (Americans for Progressive Action USA, *et al.*) (Sept. 9, 2022).

⁵ Christopher Henry Richardson Dep. (Dec. 8, 2022) [REDACTED]

⁶ Richardson identified himself using his married name at the deposition. *See id.* at 6.

⁷ *Id.* at 5-7, 12-16.

⁸ *See* Second Gen. Counsel’s Rpt. at 5 (discussing the details of Richardson’s criminal conviction for bank fraud and associated court documents as one factor that assisted OGC in identifying Richardson as the unknown person OGC was seeking in the investigation).

1 businesses in Texas.⁹ And on March 6, 2020, Richardson filed the Committee's Statement of
2 Organization under the false name of Evan Jones.¹⁰ Thereafter, he continued to file disclosure
3 reports under that name.¹¹ The investigation further confirmed that the names, addresses,
4 occupations, and employers of contributors disclosed on the Committee's disclosure reports were
5 false and the names were similar to those used by Richardson to make the hundreds of small
6 contributions between 2014 and 2019.¹² OGC determined the falsity of the contributor
7 information on the Committee's reports by sending letters to the addresses listed on the
8 Committee's disclosure reports. The responses to those letters indicated that the information on
9 the Committee's reports was inaccurate because the contributors disclosed by the Committee are
10 either fictitious people or variations of names used by Richardson himself, and that the street
11 addresses used for these "contributors" on the Committee's disclosure reports are the street
12 addresses of other people that have no connection to Richardson and the Committee.¹³ The
13 Committee also filed two 48-Hour reports regarding several independent expenditures totaling
14 over \$2.5 million, all marked as estimates and all without a date of disbursement or obligation.¹⁴
15 Many of the vendors listed on the report are fictitious companies that are similar in name and
16 address to real companies.¹⁵

⁹ *Id.* at 6 (citing Leslie Wayne, *Perry R. Bass, 91, Patriarch of Famed Texas Oil Family, Dies*, N.Y. TIMES (June 2, 2006), <https://www.nytimes.com/2006/06/02/business/02bass.html>).

¹⁰ *Id.* at 2-4 (summarizing the investigation, which determined that Evan Jones as an alias used by Richardson); Americans for Progressive Action USA, Statement of Organization at 3 (Mar. 6, 2020).

¹¹ Second Gen. Counsel's Rpt. at 2 (referencing the Committee's disclosure reports).

¹² *Id.* at 6 (discussing Richardson's contribution history).

¹³ *Id.* at 7-8.

¹⁴ Factual & Legal Analysis ("F&LA") at 5-7, MUR 7738 (Christopher Henry Aragon).

¹⁵ *Id.*

In response to a Commission subpoena, Apple Inc. ("Apple") provided documents that identified Richardson as the individual behind the email addresses used to file the false reports. In those documents, Richardson used a physical address of 319 Cavalier Avenue, San Antonio, Texas, when he created his email addresses.¹⁶

After the Commission approved the deposition subpoena, Richardson was personally served with the subpoena and Factual and Legal Analysis at his current home in New Jersey. Richardson subsequently hired counsel and appeared for his deposition. During the deposition, Richardson answered preliminary questions regarding his background, further confirming that he was the subscriber of the email addresses that were used to file the false reports. For example, he stated that 319 Cavalier Avenue, San Antonio, Texas, was his previous address from 2014-2021,¹⁷ consistent with information obtained from Apple and the same address Richardson used for many of the contributions he made between 2014 and 2019.¹⁸ He further testified that his name prior to his marriage was Christopher Henry Aragon.¹⁹ Richardson used the name Christopher Henry Aragon, and Christopher or Henry and different combinations thereof to

¹⁶ Apple Subpoena Resp. at 3-4 (May 19, 2022) (the subpoena Response showed that [REDACTED] listed the subscriber as Henry Richardson at 319 Cavalier Avenue, [REDACTED] listed the subscriber as Christopher Richardson at 319 Cavalier Avenue, and [REDACTED] listed the subscriber as Americans for Progressive Action at 319 Cavalier Avenue.

¹⁷ Richardson Dep. at 13:8-16.

¹⁸ Second General Counsel's Rpt. at 6. n.24 (citing *FEC Individual Contributions: Filtered Results*, FEC.gov, https://www.fec.gov/data/receipts/individual-contributions/?contributor_name=Christopher+Bass+Richardson+&contributor_name=Christopher+Sullivan+Richardson&contributor_name=Henry+Richardson+Bass&contributor_name=christopher+aragon&contributor_name=christopher+richardson&contributor_name=christopher+sullivan&contributor_name=henry+r.+bass&contributor_name=henry+richardson&contributor_name=richardson&contributor_zip=78225&contributor_zip=74643&contributor_zip=76102 (last visited Apr. 21, 2023) (showing 286 contributions under the names Christopher Aragon, Henry Richardson, Christopher).

¹⁹ Richardson Dep. at 5:11-20.

1 make the political contributions mentioned earlier, on the Apple email registration, and on the
2 Committee's disclosure reports.

3 We also asked substantive questions regarding the names, addresses, and contributions
4 listed on the Committee's disclosure reports. In response, Richardson invoked his Fifth
5 Amendment right against self-incrimination.²⁰

6 **III. LEGAL ANALYSIS**

7 The Federal Election Campaign Act of 1971, as amended (the "Act"), and Commission
8 regulations require political committees to file reports of receipts and disbursements.²¹ Among
9 other requirements, the reports of receipts and disbursements must specifically identify the cash-
10 on-hand balance at the beginning of the reporting period, the total amount of receipts, and the
11 total amount of disbursements, including the name and address of each person who makes a
12 contribution or contributions that aggregate in excess of \$200, along with the date, amount,
13 occupation, and employer.²² The relevant reporting requirements under the Act and Commission
14 regulations are intended to ensure public disclosure of "where political campaign money comes
15 from and how it is spent."²³ Disclosure requirements also "deter[] and help[] expose violations"
16 of the Act and Commission regulations.²⁴

²⁰ *Id.* at 16-40.

²¹ 52 U.S.C. § 30104(a), (b); 11 C.F.R. § 104.3(a), (b).

²² 52 U.S.C. § 30104(b)(1), (2), (4), (5), (6)(B); 11 C.F.R. § 104.3(a), (b); 11 C.F.R. § 100.12.

²³ *Buckley v. Valeo*, 424 U.S. 1, 66 (1976); *see also Citizens United v. FEC*, 558 U.S. 310, 369-71 (2010) (describing importance of disclosure requirements to serve informational interest, because "transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages").

²⁴ *SpeechNow.org v. FEC*, 599 F.3d 686, 698 (D.C. Cir. 2010) (en banc); *see also Buckley*, 424 U.S. at 67-68 (explaining that disclosure requirements "deter actual corruption and avoid the appearance of corruption by exposing large contributions and expenditures to the light" and that "recordkeeping, reporting, and disclosure requirements are an essential means of gathering the data necessary to detect violations" of the Act); *McConnell v. FEC*, 540 U.S. 93, 196 (2003) (concurring with the stated government interests in disclosure requirements described

1 This requirement includes reporting independent expenditures made by political
 2 committees other than authorized committees.²⁵ Every political committee that makes
 3 independent expenditures must report them in its regularly scheduled disclosure reports in
 4 accordance with 11 C.F.R. § 104.3(b)(3)(vii).²⁶ In addition, a political committee that makes or
 5 contracts to make independent expenditures aggregating \$10,000 or more for an election in any
 6 calendar year, up to and including the 20th day before an election, must report these expenditures
 7 within 48 hours.²⁷ These reports, known as 48-Hour Reports, must be filed by the end of the
 8 second day “following the date on which a communication that constitutes an independent
 9 expenditure is publicly distributed or otherwise publicly disseminated.”²⁸ Additionally, “[e]very
 10 person must include in the aggregate total all disbursements during the calendar year for
 11 independent expenditures, and all enforceable contracts, either oral or written, obligating funds
 12 for disbursements during the calendar year for independent expenditures, where those
 13 independent expenditures are made with respect to the same election for Federal office.”²⁹

in Buckley — “providing the electorate with information, deterring actual corruption and avoiding any appearance thereof, and gathering the data necessary to enforce” the Act and Commission regulations).

²⁵ 52 U.S.C. § 30104(b)(4)(H)(iii); 11 C.F.R. § 104.3(b)(1)(vii).

²⁶ 11 C.F.R. § 104.4(a). Such a political committee must disclose on Schedule E the name of a person who receives any disbursement during the reporting period in an aggregate amount or value in excess of \$200 within the calendar year in connection with an independent expenditure by the reporting committee. The report also must disclose the date, amount, and purpose of any such an independent expenditure and include a statement that indicates whether such an independent expenditure is in support of or in opposition to a candidate, as well as the name and office sought by such candidate. Independent expenditures of \$200 or less do not need to be itemized, though the committee must report the total of those expenditures on line (b) of Schedule E. *Id.*; *see also* 11 C.F.R. § 104.3(b)(3)(vii).

²⁷ 52 U.S.C. § 30104(g)(2); 11 C.F.R. § 104.4(b)(2).

²⁸ 11 C.F.R. § 104.4(b)(2).

²⁹ *Id.* § 104.4(f).

A violation of the Act is knowing and willful if the “acts were committed with full knowledge of all the relevant facts and a recognition that the action is prohibited by law.”³⁰ This does not require proving knowledge of the specific statute or regulation the respondent allegedly violated.³¹ Rather, it is sufficient to demonstrate that a respondent “acted voluntarily and was aware that his conduct was unlawful.”³² This awareness may be shown through circumstantial evidence from which the respondent’s unlawful intent reasonably may be inferred.³³

The record from the investigation in this matter indicates that the Committee knowingly and willfully filed inaccurate information on its Statements of Organization and 48-Hour, Quarterly, and Monthly Reports.³⁴ The above record shows that the inaccurate information listed on the disclosure reports was done deliberately with knowledge that the information was false,³⁵ carefully constructed to appear as actual receipts from wealthy oil investors and actual disbursements to fake vendors similar in name and address to real vendors.³⁶

³⁰ 122 Cong. Rec. 12,197, 12,199 (May 3, 1976).

³¹ *United States v. Danielczyk*, 917 F. Supp. 2d 573, 578 (E.D. Va. Jan. 9, 2013) (quoting *Bryan v. United States*, 524 U.S. 184, 195 & n.23 (1998) (holding that, to establish a violation is willful, government needs to show only that defendant acted with knowledge that conduct was unlawful, not knowledge of specific statutory provision violated)).

³² *Id.* (citing jury instructions in *United States v. Edwards*, No. 11-61 (M.D.N.C. 2012), *United States v. Acevedo Vila*, No. 08-36 (D.P.R. 2009), *United States v. Fieger*, No. 07-20414 (E.D. Mich. 2008), and *United States v. Alford*, No. 05-69 (N.D. Fla. 2005)).

³³ *Cf. United States v. Hopkins*, 916 F.2d 207, 213 (5th Cir. 1990) (quoting *United States v. Bordelon*, 871 F.2d 491, 494 (5th Cir. 1989)). *Hopkins* involved a conduit contributions scheme, and the issue before the Fifth Circuit concerned the sufficiency of the evidence supporting the defendants’ convictions for conspiracy and false statements under 18 U.S.C. §§ 371 and 1001.

³⁴ The Commission found reason to believe that the Committee filed false disclosure reports with the Commission. *See* Cert. ¶ 1 (Mar. 23, 2022). This post-investigation report is recommending that the Commission find reason to believe that the Committee knowing and willfully filed false disclosure reports with the Commission.

³⁵ *See* F&LA at 10, MUR 5358 (Jacob Morgan) (finding reason to believe that Morgan knowingly and willfully violated [52 U.S.C. § 30104(b)] by acting deliberately and with knowledge that contributions disclosed were false).

³⁶ *See supra* note 9; Second Gen. Counsel’s Rpt. at 5-7 (discussing the fake vendors disclosed by the Committee).

1 The Commission has consistently determined that an individual who performs the duties
 2 of a treasurer will be liable for violations of his or her duties even if the Committee names a
 3 figurehead treasurer in its reports.³⁷ Although Richardson was not named in Committee filings
 4 as the Committee's treasurer, the documents and deposition testimony gathered during the
 5 investigation establishes that Richardson used the alias "Evan Jones" as the treasurer of the
 6 Committee.³⁸ The record indicates that Richardson performed the duties of the treasurer
 7 including preparing and filing reports with the Commission. Accordingly, although Richardson
 8 was not the named treasurer of the Committee, he is liable under section 30104(b) given that he
 9 is the individual who performed the duties of the treasurer on behalf of the Committee.

10 In addition, the Commission may draw adverse inferences that naturally follow from
 11 Richardson's silence in the face of the Commission's detailed questions during the deposition.³⁹
 12 During the deposition Richardson was shown a copy of the Committee's original Statement of
 13 Organization and asked whether the information on the form was accurate.⁴⁰ Richardson was
 14 also asked whether a \$475,000 contribution from Henry R. Bass on the Committee's 2020 April

³⁷ *See, e.g.*, F&LA at 5, MUR 7677 (James R. Schwartz II) (finding Schwartz personally liable for Committee's reporting violations even though he was not the named treasurer since he filed reports with the Commission); Conciliation Agreement at 5-6, MUR 5358 (Jamie Morgan) (holding candidate personally liable where treasurer of record ceased performing his duties, but the candidate subsequently signed and filed nine disclosure reports as "*de facto* treasurer"); F&LA at 7, MUR 5646 (Burchfield) (Mar. 3, 2005) (holding campaign manager personally liable as *de facto* treasurer where campaign manager prepared the committee's reports, performed finance-related duties, deposited contributions, and prepared checks to pay the campaign's expenses).

³⁸ *See supra* pages 3-5.

³⁹ *See Baxter v. Palmigiano*, 425 U.S. 308, 318 (1976) (explaining that an adverse inference is appropriate when parties in a civil action refuse to testify in response to probative evidence); *see also, SEC v. International Loan Network, Inc.*, 770 F. Supp. 678, 695-96 (D.D.C. 1991), *aff'd*, 968 F.2d 1304 (D.C. Cir. 1992) (court may draw adverse inference from party's refusal to testify based on Fifth Amendment); *Pagel, Inc. v. SEC*, 803 F.2d 942, 946-47 (8th Cir. 1986) (agency did not err in taking into account adverse inference based on broker-dealer's invocation of Fifth Amendment privilege against self-incrimination); *Cerrone v. Shalala*, 3 F. Supp. 2d 1174, 1175 n.3, 1180 (D. Colo. 1998) (agency's finding, based in part on adverse inference drawn against disability benefit recipient who invoked Fifth Amendment, was supported by substantial evidence).

⁴⁰ Richardson Dep. at 18: 2-24.

Quarterly Report was correct and accurate,⁴¹ and whether a \$187,464.21 disbursement to Dixon Gruper LLC was an actual disbursement to an actual company.⁴² Richardson asserted his Fifth Amendment right in response to these and all the detailed questions regarding the Committee's reported activity and otherwise remained silent.⁴³ The Commission may therefore draw the adverse inference that Richardson would have provided answers confirming his participation in these violations.⁴⁴

Here, Richardson appears to have acted knowingly and willfully in filing false reports with the Commission.⁴⁵ Richardson's repeated use of numerous fake names, fake addresses, and fake contributors were not mistakes, but rather were intentional. While Richardson asserted his Fifth Amendment right in response to questions why he disclosed fake information,⁴⁶ it appears that Richardson carefully crafted the names of fake contributors that would appear associated with wealthy investors in the oil and gas business in Texas to give the impression that the Committee had substantial backing by prominent and wealthy members of the community.⁴⁷ It also appears that Richardson carefully selected addresses from wealthy areas to use on the Committee's disclosure reports even though the Committee had no connection to those addresses. In the 48-Hour Reports filed with the Commission, Richardson selected well-known

⁴¹ *Id.* at 21: 16-25.

⁴² *Id.* at 27: 9-23.

⁴³ *Id.* at 18, 21, 29.

⁴⁴ *See supra* note 37.

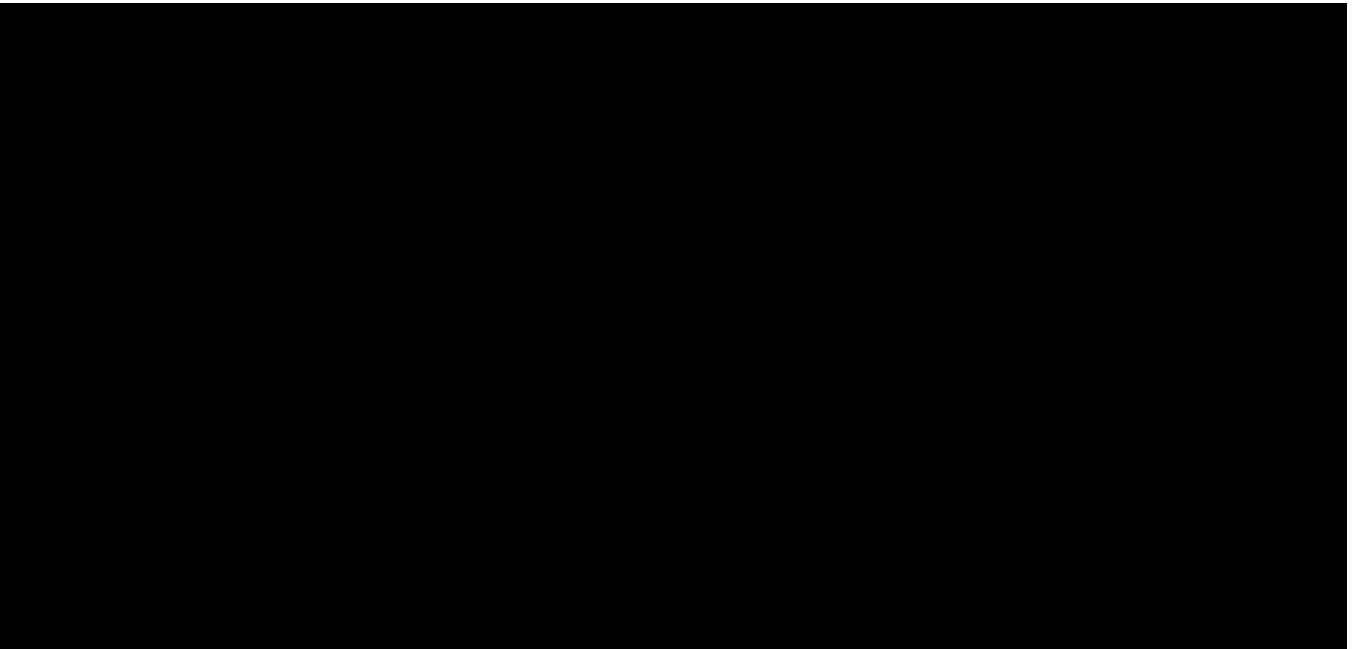
⁴⁵ *See* F&LA at 8, MUR 5358 (Jamie Morgan) (finding reason to believe that Morgan knowingly and willfully violated [52 U.S.C. § 30104(b)] where, serving as the *de facto* treasurer of his campaign committee, he filed disclosure reports with the Commission containing inflated and fictitious receipts and disbursements as well as other inaccuracies).

⁴⁶ Richardson Dep. at 29: 2-8.

⁴⁷ The Commission is permitted to draw an adverse inference regarding this point and any other point that Richardson refused to answer. *See supra* page 8-9.

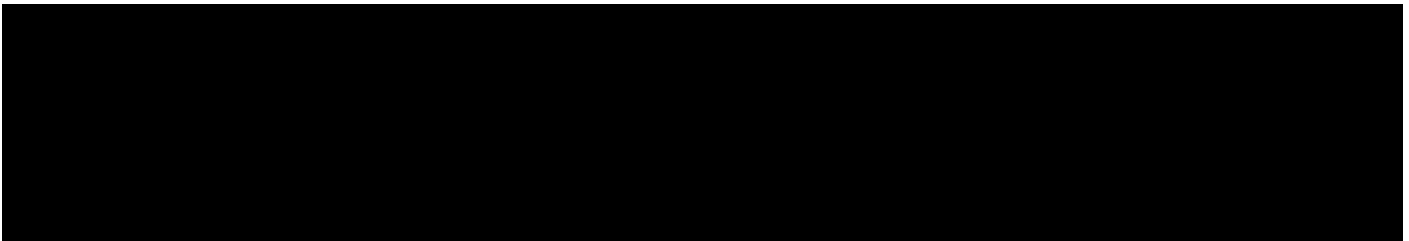
1 vendors of other political committees and made slight variations to their names and addresses.
2 All of these actions shown a specific intent to mislead and demonstrate that Richardson acted
3 knowingly and willfully. Richardson's actions caused the Committee to misreport receipts,
4 disbursements, and treasurer information.

5 Based on the substantial record in this matter, we therefore recommend the Commission
6 find reason to believe that Richardson and the Committee knowing and willfully filed false
7 disclosure reports with the Commission in violation of 52 U.S.C. § 30104(b).



17 **IV. RECOMMENDATIONS**

- 18 1. Find Reason to Believe that Christopher Henry Richardson f/k/a Christopher
19 Henry Aragon and Americans for Progressive Action USA and Christopher Henry
20 Richardson f/k/a Christopher Henry Aragon in his official capacity as treasurer
21 knowing and willfully violated 52 U.S.C. § 30104(b) by filing false disclosure
22 reports with the Commission;

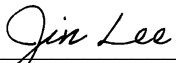



2. Enter into conciliation with Christopher Henry Richardson f/k/a Christopher Henry Aragon and Americans for Progressive Action USA and Christopher Henry Richardson f/k/a Christopher Henry Aragon in his official capacity as treasurer prior to finding of probable cause to believe;
3. Approve the attached Conciliation Agreement; and
4. Approve the appropriate letter.


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April 21, 2023
Date


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