



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 9, 2021

VIA EMAIL AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Daniel Caruso

Mechanicsberg, PA 17050

RE: MUR 7791

Dear Mr. Caruso:

The Federal Election Commission reviewed the allegations in your complaint received on September 9, 2020. On July 6, 2021, based upon the information provided in the complaint, and information provided by the respondents, the Commission decided to exercise its prosecutorial discretion to dismiss the allegations as to Patriots for Perry and Lisa Stone, as Treasurer; First Capital PAC and Lisa Stone, as Treasurer; Koch Industries, Inc. Political Action Committee and Lacye R. Tennille, as Treasurer; and Scott Perry, and close its file in this matter. Accordingly, the Commission closed its file in this matter on July 6, 2021. A copy of the General Counsel's Report, which more fully explains the basis for the Commission's decision, is enclosed.

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).

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8).

Sincerely,

Lisa J. Stevenson
Acting General Counsel

Stephen Gura

BY: Stephen Gura
Deputy Associate General Counsel

Enclosure
General Counsel's Report

BEFORE THE FEDERAL ELECTION COMMISSION

ENFORCEMENT PRIORITY SYSTEM

DISMISSAL REPORT

MUR: 7791

Complaint Receipt Date: September 9, 2020

Latest Response Date: September 25, 2020

EPS Rating: ■

Respondents: Patriots for Perry and Lisa Stone, as Treasurer (the “Committee”); First Capital PAC and and Lisa Stone, as Treasurer;¹ Koch Industries, Inc. Political Action Committee and Lacye R. Tennille, as Treasurer (the “KOCHPAC”); Scott Perry

**Alleged Statutory
Regulatory Violations:**

**52 U.S.C. §§ 30104(b)(3), 30116(a)
11 C.F.R. §§ 104.3(a), 110.2(b), (d)**

The Complaint alleges that (1) the Committee reported a contribution received from KOCHPAC that KOCHPAC did not report making; (2) the Committee made a prohibited transfer of the KOCHPAC contribution to First Capital PAC, which is Scott Perry’s leadership PAC; and (3) First Capital PAC failed to report the contribution from KOCHPAC.² Respondents assert that the Committee inadvertently deposited KOCHPAC’S contribution to First Capital PAC in the Committee’s account and reported the contribution in its report.³ Respondents further assert that

¹ Patriots for Perry is the principal campaign committee of Scott Perry, who was a candidate for and the current United States Representative for Pennsylvania’s 10th Congressional District. First Capital PAC is Congressman Perry’s leadership PAC.

² Compl. at 2-4 (Sept. 9, 2020). In particular, the Complaint alleges that, (1) in November 2019, KOCHPAC reported making and the Committee reported receiving a \$5,000 contribution for the primary election in November 2019; (2) in December 2019, the Committee reported receiving a second \$5,000 contribution from KOCHPAC and KOCHPAC reported making a \$5,000 contribution to First Capital PAC; (3) in June 2020, the Committee reported receiving a third \$5,000 contribution from KOCHPAC, the Committee reported disbursing \$5,000 to First Capital PAC on the same day that it reported receiving the contribution from KOCHPAC, and KOCHPAC reported making a \$5,000 contribution to the Committee; and (4) in June 2020, KOCHPAC reported making a \$5,000 contribution to First Capital PAC that has not been reported by First Capital PAC. *Id.*

³ Patriots for Perry Resp. at 1-2 (Sept. 25, 2020); First Capital PAC at 1-2 (Sept. 25, 2020). In particular, Respondents assert that (1) on November 19, 2019, KOCHPAC made a \$5,000 contribution to the Committee for the 2020 primary election, (2) on December 9, 2019, KOCHPAC made a \$5,000 contribution to First Capital PAC, which was accidentally and inadvertently deposited into the Committee’s account and disclosed on the Committee’s report, and (3) on June 22, 2020, KOCHPAC made a \$5,000 contribution to the Committee for the general election and a

when the Committee became aware of this error, the Committee transferred the \$5,000 contribution it mistakenly deposited to First Capital PAC and reported its transfer on the Committee’s 2020 July Quarterly Report.⁴ First Capital PAC asserts that it subsequently refunded the contribution to KOCHPAC.⁵

Based on its experience and expertise, the Commission has established an Enforcement Priority System using formal, pre-determined scoring criteria to allocate agency resources and assess whether particular matters warrant further administrative enforcement proceedings. These criteria include (1) the gravity of the alleged violation, taking into account both the type of activity and the amount in violation; (2) the apparent impact the alleged violation may have had on the electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in potential violations and other developments in the law. This matter is rated as low priority for Commission action after application of these pre-established criteria. Given that low rating and actions taken by the Committee to correct its error, we recommend that the Commission dismiss the Complaint consistent with the Commission’s prosecutorial discretion to determine the proper ordering of its priorities and use of agency resources. *Heckler v. Chaney*, 470 U.S. 821, 831-32 (1985). We also recommend that the Commission close the file as to all respondents and send the appropriate letters.

Lisa J. Stevenson
 Acting General Counsel

\$5,000 contribution to First Capital PAC, at which point the Committee discovered that it had deposited the December 2019 check into its account and transferred the contribution to First Capital PAC. KOCHPAC Resp. at 1-2, Ex. 1-3 (Sept. 21, 2020); Patriots for Perry Resp. at 1-2; First Capital PAC at 1-2. First Capital PAC asserts that it has reported the June 2020 contribution it received from KOCHPAC, and refunded the December 2019 contribution to KOCHPAC. First Capital PAC Resp. at 1-2.

⁴ Patriots for Perry Resp. at 2; First Capital PAC at 2.

⁵ First Capital PAC at 2.

Charles Kitcher
Acting Associate General Counsel

06.16.21

Date

BY: Stephen Gura
Stephen Gura
Deputy Associate General Counsel

Kristina Portner
Kristina M. Portner
Attorney