

BEFORE THE FEDERAL ELECTION COMMISSION

CAMPAIGN LEGAL CENTER
1101 14th Street NW, Suite 400
Washington, DC 20005
(202) 736-2200

MARGARET CHRIST
1101 14th Street NW, Suite 400
Washington, DC 20005
(202) 736-2200

v.

MUR No. **7853**

JOHN LANCE HARRIS
c/o Lance Harris for Congress
4824 Porter Circle
Alexandria, LA 71303

LANCE HARRIS FOR CONGRESS
John Lance Harris, Treasurer
4824 Porter Circle
Alexandria, LA 71303

STAND FOR TRUTH, INC.
Hal Lambert, Treasurer
300 Throckmorton, Suite 1550
Fort Worth, TX 76102

CAMPAIGN TO ELECT LANCE HARRIS
3820A Bayou Rapides Road
Alexandria, LA 71303

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information and belief that federal candidate John Lance Harris (“Lance Harris”), Harris’s principal campaign committee Lance Harris for Congress (ID: C00741934), his state campaign committee Campaign to Elect Lance Harris, and the federal super PAC Stand for Truth,

Inc. (ID: C00592337) violated provisions of the Federal Election Campaign Act (“FECA”), 52 U.S.C. § 30101 *et seq.*

2. On September 4, 2020, Harris’s Louisiana state committee transferred \$120,000 to the Texas-based super PAC Stand for Truth, and, over the following 20 days, Stand for Truth spent over \$100,000 supporting Harris’s congressional candidacy. At the time of the transfer, Stand for Truth had less than \$6,000 in cash-on-hand, so the infusion of funds from Harris’s state committee almost entirely financed the super PAC’s pro-Harris expenditures. Moreover, the Texas-based super PAC hired the same Virginia-based vendor as had been working for the Harris campaign to research and create ads supporting the Louisiana congressional candidate. In other words, Harris almost entirely financed Stand for Truth via his state committee, and within days of the super PAC receiving Harris’s funds, Stand for Truth hired the same vendor as Harris’s own congressional campaign and bought ads supporting Harris. These facts provide reason to believe that Harris, his federal and state campaign committees, and the federal super PAC financed by his state committee have violated important legal safeguards against federal candidates evading contribution limits, outsourcing their campaign operations to super PACs, and failing to disclose the true sources of their support.
3. Specifically, Harris and Harris’s state campaign committee, Campaign to Elect Lance Harris, violated 52 U.S.C. § 30125(e)(1)(A) by “transfer[ring]” nonfederal funds to the federal super PAC Stand for Truth; in turn, because Stand for Truth was over 95% financed by Harris’s committee, it violated 52 U.S.C. 30125(e)(1)(A) by “receiving” and “spending” those nonfederal funds; and Lance Harris for Congress and Stand for Truth

violated 52 U.S.C. § 30116 and 52 U.S.C. § 30104 by coordinating, and failing to properly report as in-kind contributions, up to \$102,000 in spending.

4. “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [FECA]. . . [t]he Commission *shall* make an investigation of such alleged violation” 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a).

FACTS

5. Since 2012, Lance Harris has served as a member of the Louisiana House of Representatives.¹ The Campaign to Elect Lance Harris is Harris’s principal state campaign committee.² Harris’s latest candidate report on file with the Louisiana Board of Ethics reported \$167,339 in funds on hands as of December 31, 2019.³ In 2019, the Campaign to Elect Lance Harris’s contributions included corporate contributions from active federal contractors.⁴
6. On March 12, 2020, Harris filed his federal statement of candidacy for the U.S. House of Representatives and designated Lance Harris for Congress as his principal campaign

¹ *Meet Lance*, LANCE HARRIS FOR CONGRESS, <https://electlance.com/about-lance/> (last visited Oct. 25, 2020).

² *See, e.g.*, Lance Harris, Candidate’s Report, La. Board of Ethics Form 102 at 2 (filed Feb. 6, 2016), <http://eap.ethics.la.gov/CFSearch/ShowEFormPDF.aspx?ReportID=56810> (reporting the “Campaign to Elect Lance Harris,” 3820A Bayou Rapides Rd, Alexandria, LA 71303, as Harris’s “principal campaign committee.”).

³ Lance Harris, Candidate’s Report, La. Board of Ethics Form 102 at 2 (filed Jan. 3, 2020), <http://eap.ethics.la.gov/CFSearch/ShowEFormPDF.aspx?ReportID=84913>.

⁴ For example, Exxon Mobil Corporation gave \$1,000 to Harris’s state campaign on December 10, 2019, *id.* at 5, and Phillips 66 Company gave \$1,000.66 on April 5, 2019, Lance Harris, Candidate’s Report, La. Board of Ethics Form 102 at 14 (filed Apr. 26, 2019), <http://eap.ethics.la.gov/CFSearch/ShowEFormPDF.aspx?ReportID=76754>. According to USASpending.gov, both Exxon Mobil Corporation and Phillips 66 Company held active federal contracts at the time of their respective contributions. *See* Recipient Search for “Phillips 66” and “Exxon Mobil,” USASPENDING.GOV, <https://www.usaspending.gov/search/650d273dfc88a7fe5a8df958f5326ef7> (last visited Oct. 26, 2020).

committee.⁵ Lance Harris for Congress (ID: C00741934) filed a statement of organization the same day.⁶

7. Stand for Truth, Inc. (“Stand for Truth”) (ID: C00592337) is a federal independent expenditure-only committee (*i.e.*, a “super PAC”) located in Texas.⁷ At the beginning of the October quarterly reporting period, the super PAC had only \$5,639.⁸
8. On September 4, 2020, Stand for Truth reported receiving a \$120,000 contribution from the Campaign to Elect Lance Harris, 3820A Bayou Rapides Road, Alexandria, LA 71303.⁹ The \$120,000 contribution was the super PAC’s first contribution since May of 2016,¹⁰ and, to date, is the super PAC’s only reported receipt in the 2020 election cycle.¹¹
9. On September 9, 2020, Stand for Truth reported paying the vendor “Go BIG Media” \$12,500 for “research,” and reported Harris’s name in the “candidate name” field on the Schedule B entry.¹²

⁵ John Lance Harris, Statement of Candidacy, FEC Form 2 (filed Mar. 12, 2020), <https://docquery.fec.gov/pdf/906/202003129203824906/202003129203824906.pdf>.

⁶ Lance Harris for Congress, Statement of Organization, FEC Form 1 at 1, 2 (filed Mar. 12, 2020), <https://docquery.fec.gov/pdf/226/202003129203825226/202003129203825226.pdf>.

⁷ Stand for Truth, Inc., Statement of Organization, FEC Form 1 at 1, 5 (amended Aug. 26, 2020), <https://docquery.fec.gov/pdf/342/202008269267005342/202008269267005342.pdf>.

⁸ Stand for Truth, Inc., 2020 July Quarterly Report, FEC Form 3X at 2 (filed Jul. 15, 2020), <https://docquery.fec.gov/pdf/877/202007159250006877/202007159250006877.pdf> (showing \$5639.20 in cash-on-hand at the end of the reporting period); Stand for Truth, Inc., 2020 October Quarterly Report, FEC Form 3X at 2 (filed Oct. 15, 2020), <https://docquery.fec.gov/pdf/918/202010159294585918/202010159294585918.pdf> (showing \$5,639.20 cash on hand at the beginning of the reporting period).

⁹ Stand for Truth, Inc., 2020 October Quarterly Report, *supra* note 8, at 6.

¹⁰ Stand for Truth, Inc., Receipts, 2015-2020, FEC.GOV, https://www.fec.gov/data/receipts/?data_type=processed&committee_id=C00592337&two_year_transaction_period=2016&two_year_transaction_period=2018&two_year_transaction_period=2020&min_date=01%2F01%2F2015 (last visited Oct. 29, 2020). The last contribution to the committee was made on May 16, 2016; the committee also reported on Line 15 having received nominal refunds of bank fees, insurance premiums, and a proposed administrative levy. *Id.*

¹¹ See Stand for Truth, Inc., 2020 October Quarterly Report, *supra* note 8, at 2 (reporting \$120,000 in total receipts in calendar year 2020); Stand for Truth, Inc., 2019 Year-End Report, FEC Form 3X at 2 (filed Jan. 27, 2020), <https://docquery.fec.gov/pdf/054/202001279167401054/202001279167401054.pdf> (reporting \$0 in receipts in calendar year 2019). As of the filing of this complaint, the 2020 October quarterly report is Stand for Truth’s most recent regular report on file with the Commission; the committee has not filed a pre-general report. See Stand for Truth, Inc., *Committee filings: 2019-20*, FEC.GOV, <https://www.fec.gov/data/committee/C00592337/?tab=filings> (last visited Oct. 29, 2020).

¹² Stand for Truth, 2020 October Quarterly Report, *supra* note 8, at 7.

10. On September 24, 2020, Stand for Truth reported paying Go BIG Media \$89,500 for an “advertising – TV” independent expenditure supporting Harris, with a public dissemination date of October 6, 2020.¹³ To date, the super PAC has not reported any other independent expenditures in the 2020 election cycle.¹⁴
11. Between July 29, 2020 and October 6, 2020, Lance Harris for Congress also paid Go BIG Media \$16,950 for various media production services.¹⁵
12. Prior to September 2020, Stand for Truth had never reported any disbursements to Go BIG Media,¹⁶ and had never reported independent expenditures in a congressional race.¹⁷

CAUSES OF ACTION

¹³ Stand for Truth, Inc., Independent Expenditures (24- and 48-hour reports), 2019-20, FEC.GOV, https://www.fec.gov/data/independent-expenditures/?data_type=processed&committee_id=C00592337&is_notice=true&most_recent=true&min_date=01%2F01%2F2019&max_date=12%2F31%2F2020 (last visited Oct. 25, 2020).

¹⁴ *Id.*

¹⁵ The campaign made these payments—to Go BIG Media, 44 Canal Center Plz, Ste. 315, Alexandria, VA 22314—on July 29, August 28, September 18, and October 6 and described them as “media production of digital ads,” “graphic design – push cards,” “video production,” “media production,” and “ad design.” Lance Harris For Congress, 2020 October Quarterly Report, FEC Form 3X at 64-65 (filed Oct. 15, 2020), <https://docquery.fec.gov/pdf/014/202010159295017014/202010159295017014.pdf>; Lance Harris for Congress, 2020 Pre-General Report, FEC Form 3X at 14 (filed Oct. 22, 2020), <https://docquery.fec.gov/pdf/050/202010229333016050/202010229333016050.pdf>.

¹⁶ Stand for Truth, Inc., Disbursements to Go Big Media, 2015-2020, FEC.GOV, https://www.fec.gov/data/disbursements/?data_type=processed&committee_id=C00592337&recipient_name=Go+Big+Media&two_year_transaction_period=2016&two_year_transaction_period=2018&two_year_transaction_period=2020&min_date=01%2F01%2F2015&max_date=12%2F31%2F2020 (last visited Oct. 27, 2020).

¹⁷ Stand for Truth, Inc., Independent Expenditures (regularly scheduled reports), 2015-2020, FEC.GOV, https://www.fec.gov/data/independent-expenditures/?data_type=processed&committee_id=C00592337&cycle=2016&cycle=2018&cycle=2020&is_notice=false&most_recent=true&min_date=01%2F01%2F2015&max_date=12%2F31%2F2020 (last visited Oct. 28, 2020); Stand for Truth, Inc., Independent Expenditures (24- and 48-hour reports), 2015-2020, FEC.GOV, https://www.fec.gov/data/independent-expenditures/?data_type=processed&committee_id=C00592337&cycle=2016&cycle=2018&cycle=2020&is_notice=true&most_recent=true&min_date=01%2F01%2F2015&max_date=12%2F31%2F2020 (last visited Oct. 28, 2020).

**COUNT I:
LANCE HARRIS AND THE CAMPAIGN TO ELECT LANCE HARRIS VIOLATED FECA'S SOFT-
MONEY PROHIBITION**

13. There is reason to believe that Harris and his state campaign committee violated FECA's soft-money ban by "transfer[ring]" non-federal funds in connection with a federal election. 52 U.S.C. § 30125(e)(1)(A).
14. Section 30125(e)(1) states:
- A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not —*
- (A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act*
- 52 U.S.C. § 30125(e)(1) (emphasis added).
15. This soft-money prohibition is broad. It applies, *inter alia*, to any candidate for federal office, to any agent of a candidate, and to any "entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of" a candidate. *Id.*; *see also* 11 C.F.R. §§ 300.60, 300.61. Candidates and their agents cannot "solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office" unless those funds comply with federal law's contribution limits, prohibitions, and reporting requirements. 52 U.S.C. § 30125(e)(1); *see also* 11 C.F.R. § 300.61.
16. As the Commission recently observed, together these soft money provisions "are designed to prevent the use of funds that are outside the limitations and prohibitions of the Act in federal elections, and to ensure that all funds used in federal elections are reported." Factual and Legal Analysis at 4, MUR 7109 (Portantino).

17. The Campaign to Elect Lance Harris is a committee “established” and “controlled by or acting on behalf of” Harris: the entity bears Harris’s name, and, according to records on file with the Louisiana Board of Ethics, Harris has designated the Campaign to Elect Lance Harris as his principal campaign committee for his state candidacy.¹⁸
18. The Campaign to Elect Lance Harris raised funds under non-federal limits and from prohibited sources, including federal contractors Exxon Mobil Corporation and Phillips 66 Corporation.¹⁹ Under federal law, contractors are prohibited from making contributions to political committees, 52 U.S.C. § 30119, and corporations are barred from contributing to political committees other than super PACs, *id.* § 30118.
19. Harris declared his federal candidacy on March 12, 2020, and more than five months into that candidacy, his state campaign committee—an entity “established” and “controlled by or acting on behalf of” federal candidate Harris—contributed \$120,000 in non-federal funds to the federal super PAC Stand for Truth.²⁰ Stand for Truth, in turn, then disseminated independent expenditures supporting Harris’s—and only Harris’s—federal candidacy.²¹
20. Therefore, there is reason to believe that Harris and his state campaign committee violated the soft-money ban on a federal candidate “transfer[ring]” non-federal funds in connection with a federal election. 52 U.S.C. § 30125(e)(1)(A).²²

¹⁸ See sources cited *supra* ¶ 5.

¹⁹ See sources cited *supra* ¶ 5.

²⁰ See sources cited *supra* ¶¶ 6, 8.

²¹ See sources cited *supra* ¶¶ 9-10.

²² Additionally, Harris’s principal campaign committee for his federal candidacy, Lance Harris for Congress, reported dozens of contributions from what appear to be state political committees in Louisiana; some entries had the “memo item” box checked, and some stated “federal permissible funds” in the accompanying memo text. See Lance Harris for Congress, 2020 October Quarterly Report, FEC Form 3X at 50-59 (filed Oct. 15, 2020), <https://docquery.fec.gov/pdf/014/202010159295017014/202010159295017014.pdf>; Lance Harris for Congress, 2020 Pre-General Report, FEC Form 3X at 12 (filed Oct. 22, 2020), <https://docquery.fec.gov/pdf/050/202010229333016050/202010229333016050.pdf>. If any of these contributions

COUNT II:
STAND FOR TRUTH, INC. VIOLATED THE SOFT-MONEY PROHIBITION

21. There is additionally reason to believe that Stand for Truth, as an entity directly or indirectly financed by a federal candidate, violated FECA by receiving and spending soft-money funds.
22. As described *supra*, Section 30125(e)(1) prohibits any “entity directly or indirectly established, *financed*, maintained or controlled by or acting on behalf of” a federal candidate from soliciting, receiving, directing, transferring, or spending soft-money funds. 52 U.S.C. § 30125(e)(1) (emphasis added); *see also supra* ¶¶ 14-15.
23. Stand for Truth is an entity “directly or indirectly . . . financed” by Harris, since during the relevant period over 95% of its funding came from Harris’s state campaign committee. On September 3, 2020, Stand for Truth had just \$5,639 in cash-on-hand;²³ on September 4, 2020, Stand for Truth reported receiving \$120,000 from the Campaign to Elect Lance Harris, which to date is the only receipt that Stand for Truth has reported during the 2020 election cycle.²⁴ Five days later, it spent \$12,500 on research supporting Harris, and fifteen days after that disbursement, it spent \$89,500 on independent expenditures supporting Harris; both payments were only possible because of the contribution from Harris’s state campaign committee.²⁵ In other words, the super PAC received soft-money funds from Harris’s state campaign committee, rendering it over

were funds were raised outside of federal limits, then Lance Harris for Congress would also have illegally accepted soft-money funds.

²³ See sources cited *supra* ¶ 7; *see also* Stand for Truth, Inc., 2020 October Quarterly Report, *supra* note 8, at 2, 7 (showing \$5,639 in cash-on-hand at the beginning of the reporting period and no disbursements until September 9, 2020).

²⁴ See sources cited *supra* ¶ 8.

²⁵ See sources cited *supra* ¶¶ 9-10.

95% financed by Harris's committee, and it then spent those soft-money funds in support of Harris's federal candidacy.

24. Therefore, because Stand for Truth is an entity "directly or indirectly . . . financed" by a federal candidate, namely Harris, it violated 52 U.S.C. § 30125(e)(1) by "receiv[ing]" "spend[ing]" soft-money funds.

**COUNT III:
STAND FOR TRUTH, INC. MADE ILLEGAL AND EXCESSIVE CONTRIBUTIONS TO LANCE HARRIS
FOR CONGRESS**

25. There is additionally reason to believe that Stand for Truth made up to \$102,000 in illegal in-kind contributions to Lance Harris for Congress in the form of coordinated expenditures.
26. 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." 52 U.S.C. § 30101(8)(A)(i); *see also* 11 C.F.R. §§ 100.52(a), 114.1(a)(1). "Anything of value" includes all in-kind contributions. 11 C.F.R. § 100.52(d)(1). An in-kind contribution includes the provision without charge (or at less than the usual and normal charge) of any goods or services, including, but not limited to, "facilities, equipment, supplies, personnel, advertising services, membership lists, and mailing lists."
Id.
27. An "expenditure" includes "any purchase, payment . . . or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office." 52 U.S.C. § 30101(9)(A).
28. Any expenditure made in coordination with a candidate—*i.e.*, "in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his

authorized political committees, or their agents”—is an in-kind contribution to the candidate, 52 U.S.C. § 30116(a)(7)(B)(i); 11 C.F.R. § 109.20, and the person that made the payment must report it as a contribution to the candidate with whom it is coordinated, 11 C.F.R. § 109.20(b).

29. Under the Commission’s regulations governing a subcategory of coordinated expenditures—“coordinated communications”—a communication is coordinated with a candidate and/or that candidate’s authorized committee, and is thus a contribution to that candidate’s committee, when the communication (1) is paid for, in whole or in part, by a person other than the candidate or committee; (2) satisfies at least one of the “content standards” in the regulation; and (3) satisfies at least one of the “conduct standards” in the regulation. *Id.* § 109.21(a).
30. The second prong, the “content standard,” is met if the communication “expressly advocates . . . the election or defeat of a clearly identified candidate for Federal office.” *Id.* § 109.21(c)(3).
31. The “conduct” standard is satisfied (1) if “the communication is created, produced, or distributed at the *request or suggestion of*” a candidate, his authorized committee, or an agent thereof, *id.* § 109.21(d)(1)(i) (emphasis added); (2) if a candidate, his authorized committee, or an agent thereof “is *materially involved* in decisions” pertaining to the communication’s content, intended audience, means or mode, timing, frequency, or duration, *id.* § 109.21(d)(2) (emphasis added); or (3) if “[t]he communication is created, produced, or distributed after one or more *substantial discussions* about the communication between the person paying for the communication,” *e.g.*, a super PAC,

“and the candidate who is clearly identified in the communication a candidate, or the candidate’s authorized committee,” *id.* 109.21(d)(3) (emphasis added).²⁶

32. The “conduct” standard is also satisfied if the political committee paying for the communication (1) uses a commercial vendor²⁷ to create, produce, or distribute the communication²⁸ that (2) during the previous 120 days also provided certain services to the candidate identified in the communication,²⁹ such as development of media strategy and selection of advertising slots; selection of audiences; polling; developing the content of communications; voter identification; or otherwise providing political or media advice,³⁰ and (3) the vendor uses or conveys to the political committee information about the candidate’s or party committee’s “plans, projects, activities or needs” (or information used previously by the commercial vendor in providing services to the candidate) and “that information is material to the creation, production, or distribution of the communication.”³¹ 11 C.F.R. § 109.21(d)(4).³²
33. The Commission has found reason to believe that FECA has been violated if the first two parts of the common-vendor test are satisfied. In MUR 5546, for example, the

²⁶ See also 11 C.F.R. 109.20(a) (emphasizing that “[f]or purposes of this subpart C, any reference to a candidate, or a candidate's authorized committee, or a political party committee includes an agent thereof.”).

²⁷ The regulation cross-references the definition of “commercial vendor” at 11 C.F.R. § 116.1(c), which includes “any persons providing goods or services to a candidate or political committee whose usual and normal business involves the sale, rental, lease or provision of those goods or services.” *Id.*

²⁸ 11 C.F.R. § 109.21(d)(4)(i).

²⁹ *Id.* § 109.21(d)(4)(ii). For purposes of this analysis, the commercial vendor includes “any owner, officer, or employee of the commercial vendor.” *Id.*

³⁰ *Id.* § 109.21(d)(4)(ii)(A-I).

³¹ *Id.* § 109.21(d)(4)(iii).

³² These requirements are not satisfied if the material information was obtained from a publicly available source, 11 C.F.R. § 109.21(d)(5)(ii), or if the committee establishes and implements a firewall in a written policy that prohibits the flow of information about the candidate’s campaign plans, projects, activities or needs to those responsible for the creation, production, or distribution of the communications, pursuant to 11 C.F.R. § 109.21(h). However, in promulgating the rules, the Commission emphasized that “the mere existence of a confidentiality agreement or ethical screen . . . [w]ithout some mechanism to ensure enforcement” does not “provide a *de facto* bar to the enforcement of the limits on coordinated communication imposed by Congress.” Coordinated and Independent Expenditures, 68 Fed. Reg. 421, 437 (Jan. 3, 2003).

Commission concluded that, “[b]ecause the first two parts of the common vendor test are met, there is reason to investigate whether the use or exchange of information occurred as described in 11 C.F.R. § 109.21(D)(4)(iii).” MUR 5546 (Progress for America Voter Fund), Notification with Factual and Legal Analysis at 9 (Jul. 5, 2005);³³ *see also* MUR 5502 (Martinez for Senate), Notification with Factual and Legal Analysis at 8 (May 18, 2005).³⁴ Additionally, in MURs 5403 and 5466, the Commission found reason to believe that the political committee America Coming Together had engaged in coordinated communications pursuant to the § 109.21(d)(4) shared vendor “conduct standard” by contracting with the commercial vendor Dewey Square Group to run a phone bank operation supporting John Kerry’s presidential campaign, since that vendor had previously provided voter identification services to the Kerry campaign committee. MURs 5403 and 5466 (America Coming Together), Notification with Factual and Legal Analysis to America Coming Together at 9-13 (Oct. 20, 2004).³⁵ The fact that the vendor provided services to both the campaign and the political committee was sufficient to find reason to believe that FECA had been violated; the Commission then investigated whether the vendor used or conveyed to the political committee information about the candidates’ plans, projects, activities, or needs. *Id.* at 12.

34. On September 9, 2020, Stand for Truth made a \$12,500 expenditure to Go BIG Media for “research,” and on September 24, 2020 paid \$89,500 to the same vendor for an independent expenditure supporting Harris.³⁶ Stand for Truth’s expenditure for research and the resulting independent expenditure satisfy the “payment” and “content” prongs of

³³ Available at <http://eqs.fec.gov/eqsdocsMUR/00005ABC.pdf>.

³⁴ Available at <http://eqs.fec.gov/eqsdocsMUR/000057D4.pdf>.

³⁵ Available at <http://eqs.fec.gov/eqsdocsMUR/0000615D.pdf>.

³⁶ *See supra* ¶¶ 8-9.

the coordinated communications regulations because they were paid for by the super PAC, 11 C.F.R. 109.21(a)(1), and the communication “expressly advocate[d] . . . the election or defeat of a clearly identified candidate for Federal office,” *id.* § 109.21(a)(2), (c)(3).

35. The expenditures additionally satisfy the “conduct” prong through the use of the common vendor Go BIG Media, 11 C.F.R. § 109.21(a)(3), (d)(4), and because the expenditures were made at the request or suggestion of Harris or his agents, *id.* § 109.21(a)(3), (d)(1).
36. Throughout the 2020 election cycle, Lance Harris for Congress paid Go BIG Media for media production services;³⁷ five days after Harris transferred \$120,000 from his state committee to Stand for Truth, the super PAC paid Go BIG Media \$12,500 for “research” supporting Harris, and fifteen days after that, paid Go BIG Media \$89,500 for pro-Harris independent expenditures.³⁸ Before receiving the infusion of funds from Harris’s state committee, Stand for Truth had never reported any disbursements to Go BIG Media, and had never reported independent expenditures in a congressional race (much less in Louisiana’s 5th district).³⁹
37. Based on this timeline and these facts, the only reasonable inference is that the Texas-based Stand for Truth hired the Virginia-based Go BIG Media to research and create independent expenditures supporting Louisiana congressional candidate Lance Harris because Harris’s campaign was also contracting with Go BIG Media. That inference is strengthened by the fact that Stand for Truth had never previously contracted with the firm, and first hired the vendor just days after receiving funding from Harris’s state

³⁷ See sources cited *supra* ¶ 11.

³⁸ See sources cited *supra* ¶¶ 8-10.

³⁹ See sources cited *supra* ¶ 12.

committee (without which it could not have financed the independent expenditures). The most plausible explanation for Stand for Truth hiring Go BIG Media for the first time, for this particular independent expenditure, is because the super PAC expected that the firm's employees would use information about the Harris campaign's "plans, projects, activities or needs" to create, produce, or distribute the super PAC's ads supporting Harris. Therefore, there is reason to believe that Stand for Truth's communications satisfied the "conduct" prong at 11 C.F.R. § 109.21(d)(4).

38. Additionally, the timing of the transfer from Harris's state committee to Stand for Truth, and Stand for Truth's subsequent independent expenditure supporting Harris—and the facts that the super PAC was entirely funded in the relevant period by Harris's state committee and that it used the same vendor as Harris's own federal congressional campaign—strongly indicate that the expenditures were made at the request or suggestion of Harris (or his agents) within the meaning of section 109.21(d)(1). It is irrelevant whether this transfer was conducted in response to an express request from Harris's campaign or initiated by Harris; section 109.21(d)(1) provides that either such action would meet the "request or suggestion" conduct standard.⁴⁰ In other words, there is reason to believe that the conduct standard was met, regardless of whether Harris expressly requested the advertising, or Stand for Truth expressly informed Harris of its planned advertising and Harris assented by paying for it. Therefore, there is reason to believe that Stand for Truth's communications satisfied the conduct standard because

⁴⁰ See also 11 C.F.R. § 109.21(e) ("Agreement or formal collaboration between the [payor] and the [candidate] is not required for a communication to be a coordinated communication."); Coordinated and Independent Expenditures, 68 Fed. Reg. at 432 (explaining that section 109.21(d)(1)(ii) "is intended to prevent circumvention of the statutory 'request or suggestion' test . . . by, for example, the expedient of implicit understandings without a formal request or suggestion").

they were made at the request or suggestion of Harris (or his agents). 11 C.F.R. § 109.21(d)(1).

39. Because Stand for Truth made up to \$102,000 in expenditures that satisfied the three prongs of the coordinated communications test, 11 C.F.R. § 109.21, Stand for Truth made up to \$102,000 in in-kind contributions to Lance Harris for Congress, in excess of FECA's \$2,800 limit on contributions by a non-multicandidate political committee to a candidate, 52 U.S.C. § 30116(a)(1).

**COUNT IV:
LANCE HARRIS FOR CONGRESS ACCEPTED ILLEGAL CONTRIBUTIONS IN THE FORM OF
COORDINATED EXPENDITURES**

40. Candidates and their campaign committees may not accept contributions in excess of federal limits, 52 U.S.C § 30116(a)(1), or from prohibited sources such as corporations, 52 U.S.C. § 30118(a); *see also* 11 C.F.R. § 110.9.
41. As described *supra* in Count III, there is reason to believe that Stand for Truth—a super PAC financed by Harris, solely devoted to supporting Harris's candidacy, and using a vendor also being paid by Harris's campaign—made up to \$102,000 in in-kind contributions to Lance Harris for Congress in the form of coordinated expenditures. There is therefore also reason to believe that Lance Harris for Congress accepted contributions in excess of FECA's \$2,800 limit, 52 U.S.C. § 30116(a)(1), and in violation of FECA's prohibition on contributions to a candidate committee using corporate funds, *id.* § 30118(a), (b)(2).

**COUNT V:
STAND FOR TRUTH FAILED TO REPORT CONTRIBUTIONS MADE, AND LANCE HARRIS FOR
CONGRESS FAILED TO REPORT CONTRIBUTIONS RECEIVED, IN THE FORM OF COORDINATED
EXPENDITURES**

42. FECA requires each political committee to file reports of receipts and disbursements with the Commission. 52 U.S.C. § 30104(a)(1). For any political committee other than a candidate-authorized committee, such reports must include the total amount of contributions made to other political committees, *id.* § 30104(b)(4)(H)(i), as well as the name and address of each political committee that received a contribution, and each contribution's date and amount, *id.* § 30104(b)(6)(B)(i).
43. Coordinated expenditures, including coordinated communications, are in-kind contributions to the candidate with whom they are coordinated, and the person that made the payments must report them as contributions to that candidate. 52 U.S.C. § 30116(a)(7)(B)(i); 11 C.F.R. § 109.20.
44. Additionally, a candidate's campaign committee must report the identities of all political committees that contribute during the reporting period, and the identities of all other persons who contribute more than \$200 within the election cycle. 52 U.S.C § 30104(b). If a candidate-authorized committee receives in-kind contributions in the form of coordinated expenditures, it must report the date, value, and source of each such contribution, and it must report that coordinated expenditure both as an in-kind contribution received and as an expenditure made by the candidate. *Id.* § 30104(b)(2)(D), (b)(3)(B); 11 C.F.R. §§ 104.13(a), 109.20(b), 109.21(b).
45. Therefore, there is reason to believe that Stand for Truth failed to report contributions made in the form of coordinated expenditures to Lance Harris for Congress, and that Lance Harris for Congress failed to report receiving those contributions.

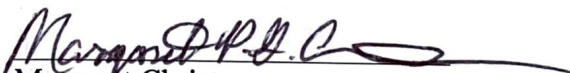
PRAYER FOR RELIEF

46. Wherefore, the Commission should find reason to believe that John Lance Harris, the Campaign to Elect Lance Harris, Lance Harris for Congress, and Stand for Truth, Inc. have violated 52 U.S.C. § 30101 *et seq.*, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2).
47. Further, the Commission should seek appropriate sanctions for any and all violations, including civil penalties sufficient to deter future violations and an injunction prohibiting the respondents from any and all violations in the future, and should seek such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

Respectfully submitted,



Campaign Legal Center, by
Brendan M. Fischer
1101 14th Street NW, Suite 400
Washington, DC 20005
(202) 736-2200



Margaret Christ
1101 14th Street NW, Suite 400
Washington, DC 20005
(202) 736-2200

Brendan M. Fischer
Campaign Legal Center
1101 14th Street NW, Suite 400
Washington, DC 20005
Counsel to the Campaign Legal Center,
Margaret Christ

October 30, 2020

VERIFICATION

The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.

For Complainant Margaret Christ

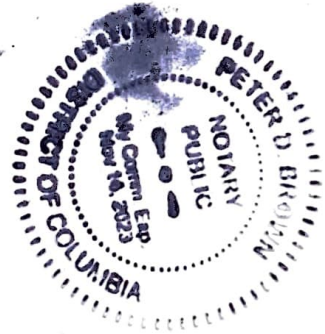
Margaret P. Christ

Margaret Christ

Sworn to and subscribed before me this 30th day of October 2020.

Peter D. Brown

Notary Public



For Complainant Campaign Legal Center

BF

Brendan M. Fischer

Sworn to and subscribed before me this 30 day of October 2020.

Peter D. Brown

Notary Public

