



FEDERAL ELECTION COMMISSION
Washington, DC 20463

David Frulla
Kelley Drye & Warren LLP
3050 K Street, NW
Washington, DC 20007
dfrulla@kelleydrye.com

March 17, 2021

RE: MUR 7878
Crystal Run Healthcare, LLP

Dear Mr. Sears,

On March 12, 2021, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of violations of 52 U.S.C. §§ 30116 and 30122, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

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). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1574 or jdigiovanni@fec.gov.

Sincerely,

A handwritten signature in black ink that reads "Justine A. di Giovanni".

Justine A. di Giovanni
Attorney, Federal Election Commission

Enclosure:
Conciliation Agreement

In the Matter of)
)
 Crystal Run Healthcare, LLP) MUR 7878
)

This matter was initiated by a *sua sponte* submission (the “Submission”) made to the Federal Election Commission (the “FEC” or “Commission”) by Crystal Run Healthcare, LLP. The Commission found reason to believe that Crystal Run Healthcare, LLP (“Crystal Run”) violated 52 U.S.C. §§ 30116(a) and 30122 of the Federal Election Campaign Act of 1971, as amended (the “Act”).

I. The Commission has jurisdiction over Respondent and the subject matter of this proceeding, and this Agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

III. Respondent enters voluntarily into this Agreement with the Commission.

Applicable Law

1. The Act prohibits any person from making a contribution in the name of another or knowingly permitting his or her name to be used to effect such a contribution. 52 U.S.C. § 30122; *see also* 11 C.F.R. § 110.4(b)(1)(i)-(ii). The term “person,” for purposes of the Act and

Commission regulations, includes partnerships, corporations, and other organizations, including partnerships. 52 U.S.C. § 30101(11); *see also* 11 C.F.R. § 110.10.

2. The Act further provides that no person shall make contributions to any candidate and his or her authorized political committees with respect to any election for federal office, which, in the aggregate, exceed \$2,000. 52 U.S.C. § 30116(a)(1). Contribution limits are indexed for inflation. *See* 11 C.F.R. §§ 110.1(b)(1)(i), 110.17(b). The limit for the 2014 election cycle was \$2,600 per election, and the limit for the 2018 election cycle was \$2,700 per election.

Facts

3. Crystal Run is a multi-specialty physician partnership that has operated in the Hudson Valley and lower Catskill region of New York State since 1996. Hal Teitelbaum is the founder, Managing Partner, and Chief Executive Officer of Crystal Run. Michelle Koury is its Chief Operating Officer.

4. In 2010, Crystal Run began reimbursing its doctors' contributions to federal political candidates that Teitelbaum and Koury determined to be beneficial to Crystal Run. Between September 22, 2010, and September 6, 2016, Crystal Run reimbursed thirty-eight contributions made by seventeen doctors and one doctor's spouse totaling \$46,500.

5. Crystal Run became aware that its practice of reimbursing federal campaign contributions was unlawful in December 2017. On March 8, 2018, Crystal Run filed its Initial Submission with the Commission.

V. Respondent violated 52 U.S.C. §§ 30116 and 30122 by making contributions in the name of another that exceeded the applicable limit.

VI. Respondent will take the following actions:

1 1. Pay a civil penalty to the Commission in the amount of five thousand dollars
2 (\$5,000), pursuant to 52 U.S.C. § 30109(a)(5)(A).

3 2. Cease and desist from violating 52 U.S.C. §§ 30116 and 30122.

4 3. Waive the right to any refund from the recipient committees of any and all of its
5 contributions referenced in this Agreement, and request that the recipient committees disgorge to
6 the United States Treasury all such contributions.

7 VII. The Commission, on request of anyone filing a complaint under 52 U.S.C.
8 § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review
9 compliance with this Agreement. If the Commission believes that this Agreement or any
10 requirement thereof has been violated, it may institute a civil action for relief in the United States
11 District Court for the District of Columbia.

12 VIII. This Agreement shall become effective as of the date that all parties hereto have
13 executed same and the Commission has approved the entire Agreement.

14 IX. Respondent shall have no more than thirty (30) days from the date this
15 Agreement becomes effective to comply with and implement the requirements contained in this
16 Agreement and to so notify the Commission.

17 X. This Conciliation Agreement constitutes the entire agreement between the parties
18 on the matters raised herein, and no other statement, promise, or agreement, either written or

MUR 7878 (Crystal Run Healthcare, LLP.)
Conciliation Agreement
Page 4 of 4

1 oral, made by either party or by agents of either party, that is not contained in this written

2 Agreement shall be enforceable.

3 FOR THE COMMISSION:

4 Lisa J. Stevenson

5 Acting General Counsel

6 BY: Charles Kitcher
7 Charles Kitcher
8 Acting Associate General Counsel for Enforcement

3/17/21

Date

9 FOR THE RESPONDENT:

10 David E. Frulla
11 David E. Frulla
12 Attorney for Crystal Run Healthcare, LLP

2/18/21
Date