

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2
3 **ENFORCEMENT PRIORITY SYSTEM**
4 **DISMISSAL REPORT**

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6 **MUR:** 7888

Respondents: Martin Marietta Materials, Inc.
Senate Leadership Fund and
Caleb Crosby in his official
capacity as treasurer¹

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8 **Complaint Receipt Date:** Mar. 17, 2021

9 **Response Dates:** Apr. 6, 2021, May 5, 2021

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11 **EPS Rating:**

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13 **Alleged Statutory and**
14 **Regulatory Violations:**

52 U.S.C. § 30119(a)
11 C.F.R. § 115.2(a), (c)

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16 The Complaint alleges that Martin Marietta Materials, Inc. (“Martin Marietta”) made a
17 prohibited \$10,000 contribution as a federal contractor to Senate Leadership Fund (“SLF”), an
18 independent expenditure-only political committee (“IEOPC”), in violation of the Federal Election
19 Campaign Act of 1971, as amended (the “Act”).² The Complaint alleges that Martin Marietta held
20 federal contracts with multiple agencies at the time that it made a contribution to SLF.³ During the
21 timeframe that Martin Marietta was allegedly a federal contractor, it made a contribution to SLF on
22 December 21, 2020, in the amount of \$10,000.⁴ The Complaint also raises questions as to whether
23 SLF knowingly solicited a prohibited federal contractor contribution.

24 In its Response, SLF states that it did not knowingly solicit a contribution from any federal
25 contractor, and was unaware at the time it received the contribution from Martin Marietta that the

¹ Senate Leadership Fund is an independent-expenditure-only political committee registered with the Commission. SLF Amended Statement of Organization at 5 (May 19, 2021).

² Compl. at 3 (Mar. 17, 2021).

³ Specifically, the Complaint asserts that Martin Marietta held two contracts with the Department of Defense covering the period August 9, 2019, through December 31, 2020, in amounts of \$519,901 and \$470,307, and an additional contract with the Department of Defense covering the period September 21, 2020, through November 1, 2021, in the amount of \$699,976. *Id.* at 2-3.

⁴ *Id.* at 3; SLF Amended 2020 Year-End Report at 117 (Mar. 18, 2021).

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EPS Dismissal Report

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1 donor may have been a federal contractor.⁵ SLF further asserts that after receiving this Complaint
2 and conferring with representatives of Martin Marietta, SLF voluntarily refunded the contribution
3 on or about March 26, 2021.⁶ Martin Marietta asserts that upon receipt of the Complaint, it
4 investigated the matter, determined that it could potentially meet the definition of a federal
5 contractor, and sought and received a refund of the full \$10,000 from SLF.⁷

6 Based on its experience and expertise, the Commission has established an Enforcement
7 Priority System using formal, pre-determined scoring criteria to allocate agency resources and
8 assess whether particular matters warrant further administrative enforcement proceedings. These
9 criteria include (1) the gravity of the alleged violation, taking into account both the type of activity
10 and the amount in violation; (2) the apparent impact the alleged violation may have had on the
11 electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in
12 potential violations and other developments in the law. This matter is rated as low priority for
13 Commission action after application of these pre-established criteria. Given that low rating and the
14 low dollar amount at issue, we recommend that the Commission dismiss the Complaint consistent

⁵ SLF Resp. at 2. SLF contends that it took steps to ensure that it did not receive a contribution from a federal contractor, stating that its online donation page requires affirmation that the contributor is not a federal government contractor, and the written information that SLF provides to its prospective supporters and the contribution form that contributors fill out and return to SLF collectively include three separate notices that contributions from federal government contractors are prohibited. *Id.* at 1-2; *see also* SLF Resp., Attach. A.

⁶ SLF Resp. at 2.

⁷ Martin Marietta Resp. at 1. See SLF 2021 Mid-Year Report at 105 (Jul. 31, 2021), <https://docquery.fec.gov/cgi-bin/fecimg/?202107319465466524>. In its Response, Martin Marietta states that the true amount of its government contracts are significantly lower than the \$1.6 million alleged by the Complaint and that because its contracts do not require ongoing performance, it “did not appreciate that it could be classified as a federal government contractor.” *Id.* at 2. Further, Martin Marietta states that it is in the process of implementing new policies and procedures to make certain that prohibited contributions are not made in the future. *Id.* at 1.

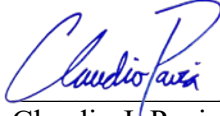
1 with the Commission’s prosecutorial discretion to determine the proper ordering of its priorities and
2 use of agency resources.⁸ We also recommend that the Commission close the file and
3 send the appropriate letters.

4 Lisa J. Stevenson
5 Acting General Counsel

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7 Charles Kitcher
8 Associate General Counsel

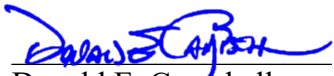
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10
11 2/25/2022
12 Date

BY:



13 Claudio J. Pavia
14 Acting Deputy Associate General Counsel
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17 _____
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⁸ *Heckler v. Chaney*, 470 U.S. 821, 831-32 (1985).