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June 23, 2021

VIA EMAIL: CELA@FEC.GOV

Federal Election Commission
Office of Complaints Examination & Legal Administration
ATTN: Christal Dennis, Paralegal

Re: Response in MUR 7903 (Tomfoolery LLC and Thomas Chavez)

To whom it may concern:

This letter is in response to the complaint filed in the above-captioned matter. The Campaign Legal Center, seemingly operating on a presumption of guilt, alleged that two contributions made by Tomfoolery LLC to a 'superPAC' supporting the nomination of a candidate for U.S. Senate were impermissible contributions in the name of another and/or wrongly reported by the recipient committee. As the Federal Election Commission ("Commission") knows, LLCs are permitted to contribute in an unlimited amount to a 'superPAC,' and the informal 'standard' the Commission uses to evaluate whether a contribution in the name of another occurred is not all that clear and not universally known.

In the situation at hand, I have been advised that the facts are as follows:

1. The Tomfoolery LLC that made the contributions at issue was formed in 2017 in Delaware. Its single member is Thomas Chavez, a businessman. It has functioned most recently to facilitate various business-related expenses of Mr. Chavez, such as paying expenses for development and operation of a music industry project.
2. Mr. Chavez uses AJ Wealth, a financial services firm, to handle most of his financial affairs. When Mr. Chavez wishes to make a disbursement of some sort, he typically asks a representative at AJ Wealth to carry out the necessary transactions.

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3. Mr. Chavez wanted to help the election prospects of one particular candidate seeking the Senate nomination in Texas. He was generally aware that a ‘superPAC’ like the one supporting the candidate involved can accept contributions from an LLC. He did not consult any legal counsel regarding the nuances of campaign finance law, and he was not aware of the FEC’s informal ‘standard’ that certain types of LLC contribution arrangements might raise contribution in the name of another issues or reporting issues (the Statement of Reasons of three commissioners described at page 8 of the complaint herein).
4. The law is ambiguous, as the circumstances at hand demonstrate. Tomfoolery LLC (A) had been in existence well before the contributions here involved were made; (B) was used mostly for small-scale normal and legitimate business or business development expenses (e.g., for music studio rental costs); and (C) continued in existence for such expenses after the contributions at hand until a new separate LLC was formed with a more ‘business friendly’ name. It is true that at the time of the contributions here involved were made, funds had to be transferred into the LLC on the days the contributions were made in order to cover the full contribution amounts. AJ Wealth made the necessary transfers into the LLC from a Thomas Chavez account to facilitate the political contributions being made, consistent with their normal practice in handling Mr. Chavez’s financial affairs. Most importantly, Mr. Chavez’s contemporaneous email requesting that AJ Wealth facilitate the first contribution stated: “please send Lone Star \$50K. if possible, i’d like to send it through an llc like tomfoolery; if i need to be named, so be it.” See Attachment. Clearly, there was no willful effort to make a contribution in the name of another in this matter. Put simply, Mr. Chavez had no problem with having his name associated with the contributions at issue.
5. Neither Mr. Chavez nor the AJ Wealth team that handles his financial affairs was aware of the FEC regulation (11 CFR 110.1(g)(5)) that indicates a single member LLC like Tomfoolery LLC should (A) provide information to the recipient committee as to “how the contribution is to be attributed” and (B) “affirm to the recipient committee that it is eligible to make the contribution.”

Because Mr. Chavez wishes this matter to be resolved in a way that promotes transparency and accountability, he is contemporaneously notifying the recipient ‘superPAC’ that he requests it to immediately amend its reports as needed to attribute to him the two contributions made by Tomfoolery LLC. It is his hope that these steps will render unnecessary a time-consuming, resource-draining FEC proceeding.

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In view of the foregoing, I respectfully request that the Commission dismiss this matter using its prosecutorial discretion.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott E. Thomas", with a stylized flourish at the end.

Scott E. Thomas
Partner

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ATTACHMENT

Fwd: Following up re: Lone Star Forward

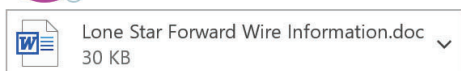


Tom Chavez <

To: Nicole Fox

 Reply
  Reply All
  Forward
 

Mon 2/3/2020 1:58 PM



please send Lone Star \$50K.

if possible, i'd like to send it through an llc like tomfoolery; if i need to be named, so be it.

thanks for the help!

tom

----- Forwarded message -----

From: **Joseph Corrigan** <joe@edgehillstrategies.com>

Date: Sat, Jan 25, 2020 at 2:29 PM

Subject: Following up re: Lone Star Forward

To: ·

Tom,

It was great talking to you today. Per our conversation, attached is the wire/mailling/ committee information for Lone Star Forward.

Please let me know if you have any questions. I look forward to connecting again soon.

Sincerely,

Joe

--

Joseph E. Corrigan
Edge Hill Strategies, LLC

joe@edgehillstrategies.com

@EHStrategies / @CorrigaJ

[EXTERNAL]