



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 7957
Marie Newman, *et al.*)
)

**STATEMENT OF REASONS OF CHAIR DARA LINDENBAUM, VICE CHAIRMAN
SEAN J. COOKSEY, AND COMMISSIONERS ALLEN J. DICKERSON AND
JAMES E. “TREY” TRAINOR, III**

This matter involved allegations about salary payments made by Marie Newman for Congress (the “Committee”) to Iymen Chehade in exchange for campaign research work.¹ Specifically, the Complaint claimed that Newman and the Committee hired Chehade to write foreign policy briefs as part of a legal settlement after Chehade sued Newman for breach of contract in 2018, and that by doing so, Newman and the Committee violated various provisions of the Federal Election Campaign Act of 1971, as amended.²

In its review, the Office of General Counsel (“OGC”) determined that the payments to Chehade—whether for work performed or in settlement of a lawsuit—did not constitute a prohibited personal use of campaign funds.³ OGC therefore recommended finding no reason to believe that a violation of 52 U.S.C. § 30114(b) occurred.⁴ We agreed with OGC’s analysis and recommendations on these points and voted to find no reason to believe.⁵

But because the Complaint further suggested that at least part of the reported “salary” paid to Chehade was in furtherance of the settlement, OGC also recommended the Commission find reason to believe that the Committee violated 52 U.S.C. § 30104(b)(5)(A) by reporting improper disbursement purposes.⁶ OGC sought to investigate the Committee’s documents and records pertaining to Chehade’s employment and settlement agreement and to interview individuals likely to have knowledge of such terms.⁷

¹ First General Counsel’s Report at 1–2 (Sept. 26, 2022), MUR 7957 (Marie Newman, *et al.*).

² *Id.* at 3.

³ *Id.* at 11–14.

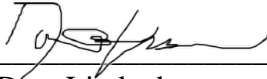
⁴ *Id.*

⁵ Certification (June 23, 2023), MUR 7957 (Marie Newman, *et al.*).

⁶ First General Counsel’s Report at 15 (Sept. 26, 2022), MUR 7957 (Marie Newman, *et al.*).


⁷ *Id.*

We declined to proceed pursuant to our prosecutorial discretion under *Heckler v. Chaney*.⁸ Marie Newman lost her bid for reelection in 2022 and no longer serves in Congress.⁹ Since then, the Committee had raised no funds, had made no expenditures, and had no cash on hand.¹⁰ Given the Committee’s documented inability to pay any sort of civil penalty, the technical nature of the alleged offense, and the fact that the Committee was no longer active, we could not justify expending further Commission resources pursuing enforcement. Accordingly, we elected to dismiss the matter as an exercise of prosecutorial discretion.¹¹



 Dara Lindenbaum
 Chair

July 21, 2023
 Date




 Sean J. Cooksey
 Vice Chairman

July 21, 2023
 Date



 Allen Dickerson
 Commissioner

July 21, 2023
 Date



 James E. “Trey” Trainor, III
 Commissioner

July 21, 2023
 Date

⁸ 470 U.S. 821, 831 (1985).

⁹ First General Counsel’s Report at 5 (Sept. 26, 2022), MUR 7957 (Marie Newman, *et al.*).

¹⁰ Marie Newman for Congress 2023 April Quarterly Report (April 7, 2023). Indeed, five days after the Commission resolved this matter, the Committee filed its termination report. Marie Newman for Congress 2023 Termination Report (June 26, 2023).

¹¹ *Heckler*, 470 U.S. at 831 (“Thus, the agency must not only assess whether a violation has occurred, but whether agency resources are best spent on this violation or another ... and, indeed, whether the agency has enough resources to undertake the action at all. An agency generally cannot act against each technical violation of the statute it is charged with enforcing.”).