



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

May 10, 2024

VIA EMAIL

Charles Spies
Dickinson Wright PLLC
International Square
1825 Eye St. N.W.
Suite 900
Washington, D.C. 20006
CSpies@Dickinson-Wright.com

RE: MUR 7976 (John James, *et al.*)

Dear Mr. Spies:

On April 10, 2024, the Federal Election Commission (the "Commission") accepted the signed conciliation agreement submitted on behalf of your clients, John James for Senate and Tim Caughlin in his official capacity as treasurer and John James, in settlement of violations of 52 U.S.C. § 30114(b), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter, effective today.

Documents related to the case will be placed on the public record today. *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 and reimbursement is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1190.

Sincerely,

Rocelyn Halili
Rocelyn Halili
Attorney

Enclosure

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
John James)	
John James for Senate, Inc.)	MUR 7976
Tim Caughlin in his official)	
capacity as treasurer)	
)	

CONCILIATION AGREEMENT

This matter was generated by a complaint filed with the Federal Election Commission (the “Commission”). The Commission found reason to believe that John James, and John James for Senate, Inc. and Timothy Caughlin in his official capacity as treasurer (“Respondents”) violated 52 U.S.C. § 30114(b) by converting campaign funds to personal use with respect to expenditures related to John James’s speaking engagements, totaling \$2,286.71.

NOW, THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation prior to a finding of probable cause to believe, agree as follows:

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

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. James was a candidate for the U.S. Senate in Michigan during the 2020 election, and he established John James for Senate, Inc., as his principal campaign committee (the “Committee”). In November 2020, James lost the senatorial bid during the general election.

MUR 7976 (John James, *et al.*)
Conciliation Agreement
Page 2 of 5

2. On January 31, 2022, James announced his candidacy for Michigan's 10th Congressional District and filed his Statement of Candidacy with the Commission on February 2, 2022. On the same date, James also established John James for Congress, Inc., as his new principal campaign committee.

3. During the 14-month interim period between James's 2020 and 2022 bids for Congress (January 2021-November 2021), the Committee used excess Committee funds to pay for in-flight Wi-Fi, car and ride-share services, parking, hotels, and meals associated with James's speaking engagements at the Freedom Works Restore Liberty 2021 Conference held near Jacksonville (Amelia Island), Florida in April 2021, and Senator Tim Scott's campaign event in South Carolina in June 2021. The expenditures associated with the two speaking engagements aggregate to \$2,286.71.

4. Under the Federal Election Campaign Act of 1971, as amended (the "Act"), a contribution accepted by a candidate may be used for, *inter alia*, "otherwise authorized expenditures in connection with the campaign for Federal office of the candidate. 52 U.S.C. § 30114(a). However, a contribution to a candidate shall not be converted by any person to "personal use." *Id.* § 30114(b)(1). "Personal use" means any use of funds in a campaign account of a present or former candidate to fulfill a commitment, obligation, or expense of any person that would exist irrespective of the candidate's campaign or duties as a Federal officeholder. *Id.* § 30114(b)(2); 11 C.F.R. § 113.1(g); Explanation and Justification for Expenditures; Reports by Political Committees; Personal Use of Campaign Funds, 60 Fed. Reg. 7,862, 7,863 (Feb. 9, 1995).

5. The costs associated with James's speaking engagements at Freedom Works Restore Liberty 2021 Conference and Senator Tim Scott's campaign event in South

MUR 7976 (John James, *et al.*)
Conciliation Agreement
Page 3 of 5

Carolina, paid with campaign funds by the Committee, relate to James's commitments that were irrespective of his 2020 campaign and during a period when he was not a candidate or Federal officeholder.

6. Respondents contend that they believed James's speaking engagements stemmed from his 2020 campaign and would not have taken place irrespective of said recently concluded campaign. In addition, Respondents content that there was no personal benefit to Mr. James from attending these political events to benefit Freedom Works and Senator Scott.

V. The Committee violated 52 U.S.C. § 30114(b) by converting campaign funds to personal use for expenditures that were associated with James's speaking engagements at Freedom Works Restore Liberty 2021 Conference and participation at Senator Tim Scott's campaign event in 2021.

VI. The Respondents will take the following actions:

1. Respondents will pay a total civil penalty to the Commission in the amount of one thousand five hundred dollars (\$1,500), of which eight hundred fifty dollars (\$850) will be paid by the Committee and six hundred fifty dollars (\$650) will be paid by James, pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondents will cease and desist from committing further violations of 52 U.S.C. § 30114(b).

3. John James will refund to the Committee two thousand two hundred eighty-six dollars and seventy-one cents (\$2,286.71).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any

MUR 7976 (John James, *et al.*)
Conciliation Agreement
Page 4 of 5

requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

IX. Respondent shall have no more than 30 days from the date of this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the Commission and Respondent and constitutes a final settlement as to Respondent. No other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson
Acting General Counsel

BY: Charles
Kitcher

Digitally signed by
Charles Kitcher
Date: 2024.04.23
11:05:26 -04'00'

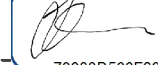
4/23/24

Charles Kitcher
Associate General Counsel
for Enforcement

Date

FOR THE RESPONDENTS:

DocuSigned by:



73803D566F294A7...

3/19/2024


John James

Date

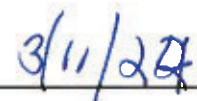
MUR 7976 (John James, *et al.*)

Conciliation Agreement

Page 5 of 5



Charles Spier, Counsel for
Timothy Caughlin, Treasurer
John James for Senate, Inc.



Date