

FEDERAL ELECTION COMMISSION
FIRST GENERAL COUNSEL’S REPORT

MUR 8006

DATE COMPLAINT FILED: May 31, 2022
DATE OF NOTIFICATIONS: June 7, 2022;
April 13, 2023¹
LAST RESPONSE RECEIVED: Aug. 15, 2023
DATE ACTIVATED: Oct. 20, 2023

EXPIRATION OF SOL: Apr. 8, 2026–
Feb. 24, 2027
ELECTION CYCLE: 2022

COMPLAINANT:

Don Watson

RESPONDENTS:

Russell Fry
Fry for Congress and David Cole in his official
capacity as treasurer
Fry for House
Grand Strand Brewing, LLC
The Hartsville Museum
Palmetto Post
Audrey Hudson

**RELEVANT STATUTES
AND REGULATIONS:**

52 U.S.C. § 30116(a), (f)
52 U.S.C. § 30118(a)
52 U.S.C. § 30125(e)
11 C.F.R. § 101.3
11 C.F.R. § 110.3(d)
11 C.F.R. § 114.13

INTERNAL REPORTS CHECKED:

Disclosure Reports

FEDERAL AGENCIES CHECKED:

None

¹ Due to an administrative oversight, Grand Strand Brewing and the city of Hartsville, SC were not included in the Office of Complaints Examination and Legal Administration’s (“CELA’s”) initial notification letters, which were sent June 7, 2022. *See, e.g.*, Letter from Roy Q. Luckett, Acting Assistant General Counsel, FEC, to David Cole, Treasurer, Fry for Congress (June 7, 2022). The notification letters to Grand Strand Brewing and the city of Hartsville were sent April 13, 2023. *See, e.g.*, Letter from Roy Q. Luckett, Acting Assistant General Counsel, FEC, to Registered Agent, Grand Strand Brewing LLC (Apr. 13, 2023). After receiving no response, CELA found different addresses for Grand Strand Brewing and the city of Hartsville and resent the notification letters to those respondents in July 2023.

1
2 **STATE AGENCIES CHECKED:** South Carolina State Ethics Commission

3
4 **I. INTRODUCTION**

5 The Complaint in this matter alleges violations of the Federal Election Campaign Act of
6 1971, as amended (the “Act”) and Commission regulations by 2022 U.S. House candidate
7 Russell Fry, his principal campaign committee Fry for Congress and David Cole in his official
8 capacity as treasurer (the “Federal Committee”), Fry for House (the “State Committee”), Grand
9 Strand Brewing, LLC, the Hartsville Museum, and the Palmetto Post and its alleged founder
10 Audrey Hudson. The Complaint first alleges that the State Committee paid for several of Fry’s
11 federal campaign expenses in violation of the Commission’s regulation prohibiting transfers
12 from a candidate’s nonfederal committee to their principal campaign committee. It also alleges
13 that Grand Strand Brewing, LLC and the Hartsville Museum made, and that Fry and the Federal
14 Committee knowingly accepted, prohibited corporate contributions in connection with campaign
15 events held at Grand Strand Brewing and at “The Edition,” a facility in Hartsville, South
16 Carolina. Next, the Complaint alleges that the Federal Committee failed to report the corporate
17 contributions from Grand Strand Brewing and the Hartsville Museum and also failed to report
18 amounts that Fry spent on “testing-the-waters” activity prior to his federal candidacy. Finally,
19 the Complaint alleges that the Palmetto Post made impermissible in-kind contributions to Fry in
20 the form of online articles, social media posts, and emails that advocated for Fry’s election to
21 Congress.

22 The Commission received three responses: one response from Fry and the Federal
23 Committee (the “Fry Response”) as well as separate responses from Grand Strand Brewing and
24 the city of Hartsville, South Carolina (“city of Hartsville”), the apparent owner of the Edition
25 facility. We did not receive a separate response from the State Committee. Audrey Hudson and

1 the Palmetto Post did not respond. The Fry Response argues that the Complaint should be
2 dismissed because it is both without merit and politically motivated. Grand Strand Brewing
3 responded that it was not acting as a donor or supporter of Fry's campaign in permitting the
4 campaign event on its property in the same manner that it allows other groups to host events on
5 their premises. The city of Hartsville's response provided the rental application, contract, and
6 payment receipt for Fry's use of the Edition facility to demonstrate that the campaign paid the
7 facility's normal rental rate.

8 For the reasons set forth below, we recommend that the Commission dismiss the
9 allegation that Fry, the State Committee, and the Federal Committee violated 11 C.F.R.
10 § 110.3(d) in connection with the State Committee's alleged payment of Fry's federal campaign
11 expenses. We also recommend that the Commission dismiss the allegation that Fry, the State
12 Committee, and the Federal Committee violated 52 U.S.C. § 30125(e)(1)(A) in connection with
13 the State Committee's alleged payment for Fry's federal campaign website, signs, banner,
14 campaign logo, and video footage. We recommend that the Commission find no reason to
15 believe that Fry, the State Committee, and the Federal Committee violated 52 U.S.C.
16 § 30125(e)(1)(A) in connection with the State Committee's payment for an online video titled
17 "PUSHING BACK – A mid-session legislative update from the SC House" (the "PUSHING
18 BACK" video). Relatedly, we recommend that the Commission dismiss the allegation that the
19 Federal Committee failed to report disbursements for such expenses in violation of 52 U.S.C.
20 § 30104(b). We also recommend that the Commission find no reason to believe that Grand
21 Strand Brewing and the Hartsville Museum made, or that Fry and the Federal Committee
22 knowingly accepted, in-kind corporate contributions in violation of 52 U.S.C. § 30118(a) in the
23 form of free goods and services. We further recommend that the Commission find no reason to

believe that the Federal Committee failed to report the alleged in-kind contributions from Grand Strand Brewing and the Hartsville Museum. Next, we recommend that the Commission find no reason to believe that Fry and the Federal Committee violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 101.3 by failing to report disbursements for “testing-the-waters” activities. Finally, we recommend that the Commission find no reason to believe that the Palmetto Post or Audrey Hudson made, or that Fry and the Federal Committee knowingly accepted, excessive in-kind contributions in violation of 52 U.S.C. § 30116(a) and (f) in the form of coordinated communications.

II. FACTUAL BACKGROUND

Russell Fry represented State House District 106 (Horry County) in South Carolina's General Assembly, having first won election in 2015.² Russell Fry for House appears to have been his state campaign committee.³ On January 31, 2021, he announced that he was exploring a potential federal candidacy to represent South Carolina's 7th Congressional District.⁴ A little

² South Carolina Election Commission, State House of Representatives District 106 Special Election (Sept. 15, 2015), <https://scvotes.gov/state-house-of-representatives-district-106-special-election/>.

³ Fry's Response does not identify a separate state committee. Instead, it refers to Fry's “state campaign.” Fry Resp. at 2 (June 22, 2022). While we have not found an entity specifically named “Fry for House” in the South Carolina Ethics Commission's online database, the Internal Revenue Service lists an address of record for an entity named “Russell Fry for House” that matches Fry's candidate disclosure reports with the South Carolina Ethics Commission. See IRS, Search for Political Organization Disclosure, <https://forms.irs.gov/app/pod/basicSearch/search> (last visited Feb. 7, 2024) (search “Russell Fry for House”); South Carolina Election Commission, Russell Fry Profile, <https://ethicsfiling.sc.gov/public/candidates-public-officials/person/profile?personId=13630&seId=15613> (last visited Feb. 7, 2024). Because South Carolina requires state candidates open a separate checking account for campaign contributions and expenditures, and because the Complaint specifically includes allegations against Fry's “state campaign committee” and “Fry for House,” —which appears to be a legally distinct entity that matches the contact information for Russell Fry currently on file with the South Carolina Ethics Commission—we use “State Committee” in this report to refer to that account and the person(s) responsible for it. See State Ethics Commission Candidate Newsletter (2023), <https://ethics.sc.gov/sites/ethics/files/Documents/Brochures/2023CandidateNewsletter.pdf>.

⁴ Russell Fry, FACEBOOK, <https://www.facebook.com/RussellFrySC/posts/fry-for-congresswhen-you-receive-an-unsolicited-word-of-encouragement-to-run-you/3963959670301885/> (last visited Feb. 7, 2024); Tyler Fleming and Jamie Lovegrove, *Rep. Russell Fry Explores Challenging SC GOP-Censured Tom Rice For Congressional Seat*, THE POST AND COURIER (Jan 31, 2021), <https://www.postandcourier.com/myrtle->

over six months later, on August 9, 2021, Fry filed his initial statement of candidacy.⁵ Fry for Congress is his principal campaign committee.⁶ According to filings with the South Carolina State Ethics Commission, the State Committee accepted corporate contributions.⁷

For the 2021-2022 election cycle, the Federal Committee reported total disbursements of \$1,218,494.55 and total receipts of \$1,428,232.⁸ The Federal Committee's first report was the 2021 October Quarterly Report. In that report, the Federal Committee disclosed, among other things, \$4,039.98 in total disbursements, all to the vendor Anedot for "E-Merchant Fees" with

[beach/politics/rep-russell-fry-explores-challenging-sc-gop-censured-tom-rice-for-congressional-seat/article/863c46ce-630f-11eb-ad62-1395483202ca.html](https://www.washingtonpost.com/politics/rep-russell-fry-explores-challenging-sc-gop-censured-tom-rice-for-congressional-seat/article/863c46ce-630f-11eb-ad62-1395483202ca.html).

⁵ Statement of Candidacy, Russell Fry (Aug. 9, 2021), <https://docquery.fec.gov/pdf/570/202108099466213570/202108099466213570.pdf>. Fry had announced several days earlier that he would challenge the incumbent, Rep. Tom Rice. See Meg Kinnard, *South Carolina lawmaker to challenge US Rep. Tom Rice*, ASSOCIATED PRESS (July 30, 2021), <https://apnews.com/article/south-carolina-only-on-ap-election-2020-house-elections-tom-rice-d69e78a7021653e9fddbf6752f7a5a39>.

⁶ Statement of Organization, Fry for Congress (Aug. 9, 2021), <https://docquery.fec.gov/pdf/560/202108099466213560/202108099466213560.pdf>.

⁷ Attach. 1 (showing State Committee's contributions received).

⁸ *FEC Financial Summary*, FEC.gov, <https://www.fec.gov/data/committee/C00786657/?tab=summary&cycle=2022> (last visited Feb. 7, 2024) (reflecting Federal Committee's disbursements and receipts during the 2021-2022 election cycle).

the first disbursement occurring on August 10, 2021.⁹ The Federal Committee also disclosed a \$7,304.97 debt to Ivory Tusk Consulting for “fundraising consulting.”¹⁰

Grand Strand Brewing is a restaurant and brewery located in Myrtle Beach, South Carolina.¹¹ It organized as a limited liability company in South Carolina on February 12, 2019.¹² Fry held a campaign event at Grand Strand Brewing on August 5, 2021.¹³

The Edition is a “modern event space” that is part of the Hartsville Museum in Hartsville, South Carolina.¹⁴ The Edition is owned by the city of Hartsville, South Carolina.¹⁵ Fry held a campaign event at The Edition on February 24, 2022.¹⁶

A. The Complaint

The Complaint alleges that Fry and the Federal Committee incurred campaign expenses *prior* to August 10, 2021, and that the Federal Committee’s failure to report any disbursements before that date suggests that the State Committee paid for those expenses in violation of 11 C.F.R. § 110.3(d). According to the Complaint, the specific expenses at issue consist of the following:

⁹ Fry for Congress, 2021 October Quarterly Report at 78-86 (July 1, 2021), <https://docquery.fec.gov/pdf/421/202110159467647421/202110159467647421.pdf>.

¹⁰ *Id.* at 88 (July 1, 2021), <https://docquery.fec.gov/pdf/421/202110159467647421/202110159467647421.pdf>. Ivory Tusk Consulting was founded by R.J. May, III and is a “full-service political consulting and public relations agency.” Ivory Tusk Consulting, FACEBOOK, <https://www.facebook.com/IvoryTuskConsulting/> (last visited Dec. 19, 2023); Ivory Tusk Consulting, <https://web.archive.org/web/20220204080743/https://ivorytuskconsulting.com/> (last visited Dec. 19, 2023). The Federal Committee reported paying the entire \$7,304.97 debt on its next report. *See* Fry for Congress, 2021 Year-End Report at 70 (Jan. 31, 2022), <https://www.fec.gov/data/committee/C00786657/?tab=filings&cycle=2022>.

¹¹ Grand Strand Brewing Company, <https://www.grandstrandbrewing.com/> (last visited Dec. 19, 2023).

¹² South Carolina Secretary of State, Business Entities Online Business Name Search (search “Grand Strand Brewing”), <https://businessfilings.sc.gov/BusinessFiling/Entity/Search> (last visited Feb. 7, 2024).

¹³ Grand Strand Brewing Resp. (Aug. 8, 2023); Compl. at Ex. D.

¹⁴ <https://hartsvillemuseum.org/about> (last visited Sept. 21, 2023).

¹⁵ City of Hartsville Resp. at 1 (Aug. 15, 2023).

¹⁶ *Id.*; Compl. at Ex. E.

- A “professionally produced campaign-style video¹⁷ entitled PUSHING BACK – A mid-session legislative update,” that “increase[d] [Fry’s] favorability and name identification in the lead up to his federal candidacy” that was posted on Fry’s YouTube page on April 8, 2021;¹⁸
- A “professionally created ‘Russell Fry for Congress’ logo”¹⁹ that was first used by Fry in a July 31, 2021 invitation to a campaign event at Grand Strand Brewing;
- A campaign website “RussellFrySC.com” that was first publicized by Fry in a July 31, 2021 invitation to a campaign event at Grand Strand Brewing;²⁰
- “Professionally created campaign signs” used by Fry’s campaign at a campaign event at Grand Strand Brewing on August 5, 2021;²¹ and
- A large banner with Fry’s federal campaign logo displayed at a campaign event at Grand Strand Brewing on August 5, 2021.²²

Second, the Complaint alleges that, following Fry’s federal candidacy, the State

Committee provided video footage from Fry’s April 8, 2021 legislative update for a federal campaign video posted to YouTube on September 22, 2021, in violation of 11 C.F.R. § 110.3(d).²³

Third, the Complaint alleges that Grand Strand Brewing and the Hartsville Museum made, and Fry and the Federal Committee knowingly accepted, in-kind corporate contributions in violation of 52 U.S.C. § 30118(a). Based on pictures of the events, and because the Federal

¹⁷ Russell Fry, PUSHING BACK – A mid-session legislative update from the SC House, YOUTUBE (Apr. 8, 2021), <https://www.youtube.com/watch?v=xdfZ2xcirgQ>. A transcript of the video can be found at Attach. 2.

¹⁸ Compl. at 2, 6 (citing the State Campaign’s payment of \$15,633.86 to Ivory Tusk Consulting on July 5, 2021 for “Spring legislative update and survey mailer, postage, state house website update, graphic design, and legislative update video shoot”).

¹⁹ *Id.* at 3.

²⁰ *Id.*

²¹ *Id.*

²² *Id.* at 3, 6.

²³ *Id.* at 4, 6.

Committee did not disclose any disbursements to Grand Strand Brewing or to the Edition or the Hartsville Museum, the Complaint asserts that Grand Strand Brewing provided free event space, food, and drinks for Fry's August 5, 2021 campaign event and that the Hartsville Museum provided free event space and catering for Fry's February 24, 2022 campaign event at The Edition.²⁴

Fourth, the Complaint alleges that Fry and the Federal Committee violated 11 C.F.R. § 101.3 by failing to report any disbursements for "testing-the-waters activities," despite the six-month gap between announcing his intention to explore a federal candidacy and his eventual announcement of his decision to seek federal office, as well as the existence of campaign signs, banners, logos and a website prior to Fry's August 5, 2021 campaign event at Grand Strand Brewing.²⁵

Finally, the Complaint alleges that the Palmetto Post, an online publication, is controlled by Audrey Hudson, who it also alleges is a paid staffer of the Fry campaign and that the publication's online articles, social media posts, and emails advocating for Fry's election constitute "impermissible coordinated communications."²⁶

B. The Responses

The Fry Response argues that the Complaint lacks evidence of wrongdoing—demonstrated, it says, by the Complaint's use of language such as "it appears," "ostensibly," "one is left to assume," and "[i]t strains credulity."²⁷ The Fry Response also claims that the Complaint is politically motivated, pointing to the fact that it was filed by the spouse of the chief

²⁴ *Id.* at 3, 6-7.

²⁵ *Id.* at 4, 8.

²⁶ *Id.* at 9.

²⁷ Fry Resp. at 1-2.

of staff of Fry's primary election opponent seven days before the election.²⁸ With respect to the Complaint's specific allegations, the Fry Response does not address the State Committee's alleged payment of Fry's federal campaign expenses or the federal campaign's alleged failure to disclose testing-the-waters expenses other than to say the Complaint lacks evidence.²⁹ As for the alleged corporate contributions, the Fry Response asserts that there were no disbursements to Grand Strand Brewing for Fry's "August 5, 2021 announcement because it was a 'pay your own way' event" and that there were no payments to the Edition because the facility is owned by the town of Hartsville.³⁰ Finally, the Fry Response states that Audrey Hudson is a supporter of Fry, "is not a staffer on the Fry campaign, nor has she ever received any money from the campaign," and that her social media posts were "exclusively and uniquely her own content."³¹

Grand Strand Brewing responded that they "host groups like this regularly without a private event rental fee, but rather reserve portions of the brewery in exchange for the business their guests will bring."³² As for the specifics of the August 5, 2021 event, Grand Strand Brewing states that it was contacted by a member of Fry's campaign team, who inquired about the possibility of hosting an event for approximately 75 people, on July 23, 2021.³³ Grand Strand Brewing asserts that all guests were told that they would "be on their own tab."³⁴ Grand Strand Brewing's Response further states that "there was no catering nor special pricing provided to anyone on Russel[l] Fry's team or any guests" and that Grand Strand Brewing was

²⁸ *Id.*

²⁹ *Id.* at 2.

³⁰ *Id.*

³¹ *Id.*

³² Grand Strand Brewing Resp.

³³ *Id.*

³⁴ *Id.*

1 “not acting as a donor or supporter of Fry’s campaign in permitting the campaign event on its
2 property.”³⁵

3 The city of Hartsville’s Response states that “the organizers of the [Fry] event paid the
4 normal hourly rate charged for rental of the facility for the [February 24, 2022] event.”³⁶ In
5 addition, the city of Hartsville’s Response attached the rental application for the Edition, the
6 contract for the use of the Edition, a payment receipt showing the amount paid for use of the
7 Edition, and a certificate of insurance for the February 24, 2022 event.³⁷

8 Neither Audrey Hudson nor the Palmetto Post responded to the Complaint.

³⁵ *Id.*

³⁶ City of Hartsville Resp. at 1. The rental form for the Edition space was signed by Phillip Habib, Fry’s campaign manager, and showed that the cost to rent the facility was a \$200 rental fee plus \$200 deposit, which corresponds with the cost to rent the entire space for two hours. *Id.* at 2, 5; *see also* First Tuesday Strategies, Who We Are, Phillip Habib, https://www.firsttuesdaystrategies.com/our_team/phillip-habib/ [https://web.archive.org/web/20230928034346/https://www.firsttuesdaystrategies.com/our_team/phillip-habib/].

³⁷ *Id.* at 2-9.

III. LEGAL ANALYSIS

A. The Commission Should Find No Reason to Believe that Fry, the State Committee, and the Federal Committee Violated 52 U.S.C. § 30125(e)(1)(A) and Dismiss the Allegation that Fry, the State Committee, and the Federal Committee Violated 11 C.F.R. § 110.3(d)

Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee for a federal election are prohibited.³⁸ The prohibition on transferring funds or assets applies broadly and includes payment by the state committee for goods or services to the federal committee.³⁹ The Commission, however, permits the transfer of a nonfederal committee's assets to the campaign committee of a candidate for federal office if such transfer is conducted under current market practices and at the usual and normal charges.⁴⁰ "Usual and normal charge" means "the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution."⁴¹ When the state committee does not own the asset transferred, the federal committee must pay the usual and normal charge for use of the asset to the proper owner.⁴²

In addition to 11 C.F.R. § 110.3(d), 52 U.S.C. § 30125(e)(1)(A) may also be implicated in such cases where a candidate's state campaign pays for their federal campaign expenses.⁴³ 52 U.S.C. §30125(e)(1)(A) and the Commission's implementing regulation prohibit candidates,

³⁸ 11 C.F.R. § 110.3(d).

³⁹ Factual & Legal Analysis ("F&LA") at 5, MUR 6267 (Paton For Senate, *et al.*) (candidate's federal committee "effectively received prohibited transfer of funds in violation of [52 U.S.C. § 30125(e)] and 11 C.F.R. § 110.3(d) when the candidate's state committee paid for expenses that were incurred in connection with his federal election."); F&LA at 12-16, MUR 5646 (Cohen for New Hampshire) (candidate's federal committee received prohibited transfer of funds when he used state campaign funds to pay for federal campaign expenses); Conciliation Agreement at IV.11, V.1-2, MUR 4974 (Friends of Tiberi, *et al.*) (candidate's federal and state committees violated 11 C.F.R. § 110.3(d) when his state committee paid for expenses incurred on behalf of his federal committee).

⁴⁰ See Transfer of Assets from State to Federal Campaigns, 58 Fed. Reg. 3474, 3475 (Jan. 8, 1993); Advisory Opinion 1992-19 (Mike Kreider for Congress Committee).

⁴¹ 11 C.F.R. § 100.52(d)(2).

⁴² See *id.* § 100.52(d).

individuals holding Federal office, agents of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained, or controlled (“EFMC”) by or acting on behalf of one or more candidates or individuals holding Federal office from “solicit[ing], receiv[ing], direct[ing], transfer[ing], or spend[ing] funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of th[e] Act”⁴⁴ and from “solicit[ing], receiv[ing], direct[ing], transfer[ing], or spend[ing] funds in connection with” a nonfederal election unless the funds are subject to the Act’s amount limitations and source prohibitions.⁴⁵ The Commission has determined that a state campaign committee of a federal candidate is, as a matter of law, EFMC’d by the federal candidate and acts on that candidate’s behalf.⁴⁶

The Commission has provided guidance on the types of activities that are “in connection” with an election under 52 U.S.C. § 30125(e). Such activities include, but are not limited to: (1) contributing to a candidate committee; (2) contributing to a political party organization; (3) soliciting funds for a candidate committee; (4) expending funds to obtain information that will be shared with a candidate committee; (5) expressly advocating the election or defeat of a candidate; and (6) “federal election activity,” as defined by the Act, which includes public

⁴³ See, e.g., F&LA at 4, MUR 6253 (Trey Gowdy for Congress, *et al.*); F&LA at 116, MUR 5646 (Cohen for New Hampshire); Gen. Counsel’s Rpt. (“GCR”) at 1, 3, MUR 6340 (McDowell for Congress, *et al.*), & Certification (“Cert.”), MUR 6340 (McDowell for Congress).

⁴⁴ 52 U.S.C § 30125(e)(1)(A); 11 C.F.R. § 300.61.

⁴⁵ 52 U.S.C § 30125(e)(1)(B); 11 C.F.R. § 300.62.

⁴⁶ See F&LA at 8-9, MUR 7853 (Lance Harris, *et al.*); F&LA at 6, MUR 7337 (Debbie Lesko and Re-Elect Debbie Lesko for Senate); F&LA at 9, MUR 7246 (Buddy Carter for Congress, *et al.*); F&LA at 4, MUR 6985 (Zeldin for Senate, *et al.*) (citing AO 2009-26 at 5 (Coulson), AO 2007-01 at 3 (McCaskill), and F&LA at 9, MUR 6601 (Oelrich for Congress)).

1 communications referring to a clearly identified federal candidate and that promote, support
 2 attack, or oppose (“PASO”) a candidate for that office.⁴⁷

3 Fry, a federal candidate EFMC’d the State Committee within the meaning of 52 U.S.C.
 4 § 30125(e)(1).⁴⁸ Therefore, any funds the State Committee solicited, received, directed,
 5 transferred, or spent in connection with a federal election after Fry became a federal candidate
 6 were required to be federally permissible.⁴⁹ Because South Carolina state law permits corporate
 7 contributions and the State Committee’s disclosure reports show that it accepted corporate
 8 contributions, the State Committee was prohibited from spending or transferring funds in
 9 connection with a federal election.⁵⁰

⁴⁷ See F&LA at 6, MUR 7694 (Kevin Mullin for Congress, *et al.*) (citing F&LA at 3, MUR 7106 (Citizens for Maria Chappelle-Nadal.) (citing among others Advisory Opinion 2009-26 at 5 (Coulson))).

⁴⁸ See 52 U.S.C. § 30125(e)(1) (applying to *entities* EFMC’d by federal candidates and officeholders).

⁴⁹ See, e.g., F&LA at 4, MUR 6253 (Trey Gowdy for Congress, *et al.*).

⁵⁰ See South Carolina Ethics Commission Advisory Opinion 92-187 (Nov. 18, 1992), <https://ethics.sc.gov/sites/ethics/files/Documents/Advisory%20Opinions/Advisory%20Opinion%20Topics/1992/AO92187N.NEW.pdf>. Additionally, none of the State Committee’s funds were subject to the Act’s reporting provisions.

1 1. The “PUSHING BACK” Video

2 a. 11 C.F.R. § 110.d(3)

3 i. *The State Committee’s Payment for Fry’s YouTube Video*
 4 *Titled: “PUSHING BACK – A mid-session legislative*
 5 *update from the SC House”*

6 The Commission has explained that, because a state committee is prohibited from
 7 transferring funds to a federal committee under 11 C.F.R. § 110.3(d), it follows that a state
 8 committee is prohibited from making expenditures on behalf of a potential federal campaign.⁵¹
 9 Thus, once an individual becomes a candidate, their state committee’s earlier testing-the waters
 10 expenditures become in-kind contributions to the federal committee and constitute a prohibited
 11 transfer.

12 In support of its allegation that the “PUSHING BACK” video was to support a potential
 13 Fry federal candidacy the Complaint highlights that the video was “professionally produced,”
 14 was part of the State Committee’s single largest expenditure in its history, and that Fry had never
 15 posted such a well-produced video before.⁵² Moreover, the video’s reference to former President
 16 Donald Trump and negative depiction of former Speaker of the House Nancy Pelosi could be
 17 seen as an attempt to distinguish Fry from Tom Rice, his eventual Republican primary opponent,

⁵¹ F&LA at 15, MUR 4323 (Huckabee Election Committee) (concluding that a state committee “could not . . . use funds it could not otherwise legally have transferred to make direct expenditures on behalf of a potential [] federal campaign”); *see* Transfers of Funds from State to Federal Campaigns, 57 Fed. Reg. 36,344, 36,345 (Aug. 12, 1992) (explaining the transfer prohibition was intended to prevent “indirect” use of impermissible funds); F&LA at 4-5, MUR 6267 (Paton for Senate) (finding Paton’s federal committee received prohibited transfers of funds when Paton’s state senate committee paid for polling and a survey benefiting his federal campaign); F&LA at 8, MUR 5722 (Friends for Lauzen) (concluding that even if a state committee has sufficient permissible funds to cover a federal testing-the-waters expense, Section 110.3(d) nonetheless “prohibits all transfers from the nonfederal to a federal campaign of the same individual regardless of whether the funds used are permissible under the Act,” and therefore prohibits testing-the-waters expenses made by state committees).

⁵² Compl. at 2.

and incumbent in 2022, who had voted to impeach Trump in January 2021.⁵³ These facts could be interpreted to suggest that the “PUSHING BACK” video was made on behalf of a potential federal campaign and not on behalf of Fry as a state officeholder.

Nevertheless, the record does not support finding reason to believe that a violation occurred. The heart of the Complaint’s 11 C.F.R. § 110.3(d) allegation regarding the “PUSHING BACK” video is that it benefited Fry’s future candidacy by increasing his favorability and name recognition and therefore constituted an expense in support of Fry’s federal campaign.⁵⁴ But while the “PUSHING BACK” video may be complimentary to Fry, that alone does not translate into supporting or promoting his potential federal candidacy, except in the general sense that any portrayal of a person in a positive light arguably would support any subsequent federal aspirations.⁵⁵

Other information further undermines the Complaint’s arguments for viewing the “PUSHING BACK” video as being on behalf of a potential federal campaign. First, the Complaint argues that the “PUSHING BACK” video was a federal campaign expense because the State Committee reported payments to ITC rather than “Ivory Tusk Consulting”—allegedly in an attempt to conceal the connection with a consultant used by Fry’s eventual federal

⁵³ See Meg Kinnard, *In Voting to Impeach, SC’s Rice Acknowledges Political Risk*, ASSOCIATED PRESS (Jan. 14, 2021), <https://apnews.com/article/donald-trump-us-news-elections-impeachments-south-carolina-7278bdc701aaa2d74d1f46c97a6233e0>.

⁵⁴ Compl. at 6.

⁵⁵ Cf. First GCR at 11, MUR 6784 (Lizbeth Benacquisto for Congress, *et al.*) (“The content of the advertisements themselves focuses on her accomplishments as a state senator. In sum, although the advertisements are complimentary to Benacquisto, they do not support or promote her federal candidacy except in the general sense that any portrayal of a candidate in a positive light in a public communication arguably would support that candidate’s federal, aspirations.”); First GCR at 7, MUR 5411 (Jackie Winters, *et al.*) (“While the [End of Session] Report is generally complimentary to Winters and could be said to promote or support her as a State senator, it does not support or promote her Federal candidacy except in the sense that any mention of her name or any public communication stating she is a good person or a good State officeholder could arguably be supportive of her Federal candidacy.”).

campaign.⁵⁶ But the State Committee had reported payments to “ITC” dating back to 2018, long before Fry’s federal candidacy;⁵⁷ and publicly available records connect ITC’s reported address with Robert May—the President of Ivory Tusk Consulting.⁵⁸ Thus, the Complaint’s claim that the State Committee hid Fry’s connection with Ivory Tusk Consulting appears unfounded.

Second, the Complaint argues that the video was really intended to benefit Fry’s potential federal campaign because it was a “campaign-style” video that focused on national political issues and Fry’s resume.⁵⁹ But this argument incorrectly rules out the possibility that issues such as firearms and the Second Amendment, election administration, drugs, school choice, and human trafficking are also important at the state and local levels.

Third, the Commission does not view “statement[s] of a federal candidate’s previous or ongoing legislative efforts” as PASOing that candidate.”⁶⁰ Therefore, such statements do not qualify as “federal election activity” under 52 U.S.C. § 30125(e)(1)(A). Here, the “PUSHING BACK” video was posted to YouTube more than four months before Fry declared his federal candidacy and references Fry only in his capacity as a South Carolina State Representative.⁶¹ The “PUSHING BACK” video focuses on state legislative accomplishments Fry professes to

⁵⁶ Compl. at 3.

⁵⁷ See Attach. 3 (showing State Committee’s reported expenditures).

⁵⁸ See, e.g., Google, <https://www.google.com> (last visited Feb. 7, 2024) (search “who lives at 338 Lake Frances Drive”) (showing results from Spokeo.com and Ownerly.com that appear to include Robert May as the owner of the property).

⁵⁹ Compl. at 2.

⁶⁰ F&LA at 6, MUR 7954 (Kevin Mullin for Congress, *et al.*) (citing F&LA at 3, MUR 7106 (Citizens for Maria Chappelle-Nadal); see also AO 2009-26 at 5-6 (Coulson) (proposed senior event sponsored by a federal candidate and simultaneous state officeholder did not violate the Act’s soft money ban because it was a “service to . . . constituents” and was to be “held as part of her State officeholder duties and in a manner consistent with similar events she held in previous years when she was not a Federal candidate”).

⁶¹ Cf. First GCR at 7, MUR 5411 (Jackie Winters, *et al.*) (recommending no reason to believe there was a violation of 52 U.S.C. § 30125(e)(1) because fact that an “End of [Legislative] Session Report” did not refer to federal candidacy nor solicit contributions indicated that simultaneous state and federal candidate’s state committee’s payment for the report was not in connection with her federal campaign).

1 have helped achieve during the “three short months South Carolina’s statehouse has been in
 2 session” and what he hopes to achieve “in the final months of the session.” While the
 3 “PUSHING BACK” video does include a statement by Fry that “we all want to take back
 4 Congress next year and the White House in 2024” it is immediately followed by Fry stating, “we
 5 can’t wait that long, states must act now,” which suggests that the video’s focus is on state
 6 legislative issues. In sum, the video focuses on Fry’s previous and ongoing legislative efforts,
 7 and a fleeting reference to the 2022 and 2024 federal elections does not transform it into a video
 8 on behalf of a potential federal campaign.⁶²

9 Finally, the State Committee’s disclosure reports described the payment for the
 10 “PUSHING BACK” video as part of Fry’s “spring legislative update,” which, on its face, gives
 11 no indication that the video was to further a potential Fry candidacy.⁶³ Moreover, the State
 12 Committee had previously paid for a “legislative update” in 2019, and paid for another

⁶² F&LA at 6-7, MUR 6253 (Trey Gowdy for Congress, *et al.*) (finding no reason to believe that funds spent by U.S. Representative Trey Gowdy’s state committee to develop a website (which included video footage of Gowdy) were, in fact, used to develop Gowdy’s federal campaign website because affidavits stated that the videos concerned reform to the South Carolina criminal justice system and did not mention Congress or a potential run for Congress). *Cf.* First GCR at 7, MUR 5411 (Jackie Winters, *et al.*) (recommending no reason to believe there was a violation of 52 U.S.C. § 30125(e)(1) because fact that an “End of [Legislative] Session Report” “focused on actual legislation and accomplishments of the Oregon legislature in the 2003 session” indicated that simultaneous state and federal candidate’s state committee’s payment for the report was not in connection with her federal campaign).

⁶³ *Cf.* First GCR at 17-20, MUR 8062 (Andrew Garbarino, *et al.*) (recommending reason to believe where federal candidate’s state committee reported expenditures for “campaign consultant,” “campaign literature,” “fundraising,” and “print ads” where there was no information in the record indicating he was simultaneously a state candidate).

legislative update in 2022.⁶⁴ This further indicates that the “PUSHING BACK” video (itself titled, in part, as a “legislative update”) was indeed related to Fry’s state office.⁶⁵

2. Signs, Banner, Logo, Website, and Video Footage

The Complaint asserts that it is “undeniable” that the State Committee paid for the costs of Fry’s federal campaign website, signs, banner, and a campaign logo because the Federal Committee “failed to list a single disbursement to vendors or consultants who would have created” such items.⁶⁶ Similarly, the Complaint alleges that the State Committee provided footage used in the “PUSHING BACK” video to Fry’s federal campaign because the Federal Committee did not report any disbursement to vendors or consultants who would have recorded such footage.⁶⁷

But the Complaint overlooks the Federal Committee’s 2021 October Quarterly Report—the Federal Committee’s first report following Fry’s federal candidacy—where it disclosed a \$7,304.97 debt to Ivory Tusk Consulting that would have been incurred between July 1, 2021

⁶⁴ See Russell Fry, Quarter 2, 2022 Report at 2 (July 2, 2022), <https://ethicsfiling.sc.gov/public/candidates-public-officials/person/campaign-disclosure-reports/report-detail?personId=13630&seiId=15613&officeId=44188&reportId=320219> (showing \$19,021.49 payment to ITC for “Midsession legislative update mailer”); Russell Fry, Quarter 1, 2019 Report at 2 (Apr. 10, 2019), <https://ethicsfiling.sc.gov/public/candidates-public-officials/person/campaign-disclosure-reports/report-detail?personId=13630&seiId=15613&officeId=44188&reportId=147997> (showing \$2,986.57 payment to Starboard Communications for “Midsession Legislative Update”).

⁶⁵ F&LA at 14, MUR 8083 (Tom Patti for Congress, *et al.*) (finding no reason to believe state committee of federal candidate paid for federal campaign expenses in the form of e-newsletters and digital communications and noting that “officeholder mailers and newsletters of the type that state officeholders routinely send to their constituents” do not violate the Act’s soft money prohibition) (internal quotation marks omitted); AO 2009-26 at 5-6 (Coulson); see also First GCR at 5, MUR 5416 (Wayne Christian, *et al.*) (fact that candidate’s state committee had paid vendors before and after his federal candidacy suggested that the expenditures “were all related to his state office, which he continued to hold throughout th[e] time period”) & Cert. (Nov. 8, 2004) (finding no reason to believe).

⁶⁶ Compl. at 6.

⁶⁷ *Id.* at 4, 6.

1 and September 30, 2021.⁶⁸ Given that the State Committee had previously paid Ivory Tusk
 2 Consulting for, among other things, “printing” and “design” services and to update Fry’s state
 3 house website, it appears likely that Fry also used Ivory Tusk Consulting for similar services in
 4 connection with his federal candidacy and reported the costs as a debt.⁶⁹ The city of Hartsville’s
 5 Response, which shows that Ivory Tusk Consulting paid the deposit for the Edition space used
 6 by Fry’s federal campaign, bolsters that conclusion.⁷⁰

7 Nevertheless, there is incomplete information regarding the specific services that the
 8 Federal Committee paid Ivory Tusk Consulting to perform. Ivory Tusk Consulting was also the
 9 vendor the State Committee used to produce the “PUSHING BACK” video.⁷¹ Footage from the
 10 “PUSHING BACK” video was subsequently used in a federal campaign video that was posted to
 11 Fry’s YouTube page on September 22, 2021.⁷² We have no information establishing that the
 12 Federal Committee paid for that footage.

13 The Commission has previously said that a state committee’s video footage qualifies as
 14 an asset under 11 C.F.R. § 110.3(d) requiring payment at the usual and normal charge.⁷³ But
 15 here, the Complaint provides no information indicating who owned the footage used in the
 16 “PUSHING BACK” video, and there is no such information in the record. In the Commission’s

⁶⁸ Fry for Congress, 2021 October Quarterly Report at 88 (July 1, 2021), <https://docquery.fec.gov/pdf/421/202110159467647421/202110159467647421.pdf>. The Federal Committee reported paying the entire \$7,304.97 on its next report. Fry for Congress, 2021 Year-End Report at 70 (Jan. 31, 2022), <https://www.fec.gov/data/committee/C00786657/?tab=filings&cycle=2022>.

⁶⁹ See Attach. 3.

⁷⁰ City of Hartsville Resp. at 7-8.

⁷¹ See Attach. 3; Compl. at 2-3.

⁷² Compare Russell Fry, PUSHING BACK – A Mid-Session Legislative Update From the SC House, YOUTUBE (Apr. 8, 2021), with Russell Fry, *America is Worth Fighting For*, YOUTUBE (Sept. 22, 2021), <https://www.youtube.com/watch?v=waZ3avOmQhI>.

⁷³ Statement of Reasons, Comm’rs Walther, Petersen, Bauerly, Hunter, & Weintraub, MUR 5964 (Schock for Congress, *et al.*)

experience, it is not uncommon for media vendors to retain ownership of footage used in candidate/officeholder video shoots.⁷⁴ Given Fry's longstanding use of Ivory Tusk Consulting for his needs at both the state and federal level, the reasonable likelihood that Ivory Tusk Consulting owned the footage used in the "PUSHING BACK" video, and the Fry Response's denial that the State Committee was used to further Fry's federal candidacy, it would not be unreasonable to believe that the Federal Committee's reported debt to Ivory Tusk Consulting in its 2021 October Quarterly Report may have encompassed the costs for the "PUSHING BACK" video footage.

b. 52 U.S.C. § 30125(e)(1)

The "PUSHING BACK" video does not satisfy any of the Commission's factors for being in connection with a federal election. It does not solicit funds for a candidate committee, does not appear aimed at obtaining information that will be shared with a candidate committee, and does not expressly advocate the election or defeat of a candidate.⁷⁵ And because it was posted on YouTube, an internet platform on which videos are placed without charge, the "PUSHING BACK" video is not a *public communication* that refers to a clearly identified candidate for federal office and that PASOs a candidate for that office.⁷⁶ Accordingly, the

⁷⁴ See, e.g., F&LA at 4-6, MUR 6784 (Lizbeth Benacquisto for Congress, *et al.*) (images used by candidate's federal committee that had also been used by the candidate's state committee were owned by media vendor and there was no information indicating the federal committee's payments to the media vendor were not below the usual and normal charges); Statement of Reasons, Comm'rs Walther, Petersen, Bauerly, Hunter, & Weintraub, MUR 5964 (Schock for Congress, *et al.*) (exercising prosecutorial discretion and dismissing 11 C.F.R. § 110.3(d) allegation where federal committee claimed it paid a media vendor for right to use video footage previously included in Schock's state campaign ads).

⁷⁵ See Attach. 2.

⁷⁶ The term "public communication" excludes communications over the Internet, except for communications placed for a fee on another person's website, digital device, application, or advertising platform. 11 C.F.R. § 100.26; see also Internet Communication Disclaimers and Definition of "Public Communication," 87 Fed. Reg. 77,467, 77,471 (Dec. 19, 2022) (amending definition of "public communication").

1 “PUSHING BACK” video fails to satisfy the Commission’s described test for being “in
2 connection with a federal election” and so the State Committee’s payment for it does not violate
3 52 U.S.C. § 30125(e)(1)(A).

4 As discussed above, the Federal Committee may have paid the costs for Fry’s federal
5 campaign website, signs, banner, campaign logo, and September 22, 2021 YouTube video
6 footage.

7 * * *

8 The State Committee’s payment for the “PUSHING BACK” video does not appear to be
9 in connection with an election for federal office. Accordingly, we recommend that the
10 Commission find no reason to believe that Fry, the State Committee, and the Federal Committee
11 violated 52 U.S.C. § 30125(e)(1)(A) in connection with the State Committee’s payment for that
12 video.

13 The allegation that the State Committee paid for Fry’s federal campaign expenses—
14 consisting of the “PUSHING BACK” video, website, signs, banner, campaign logo, and video
15 footage in violation 11 C.F.R. § 110.3(d)—is a closer call. With respect to the “PUSHING
16 BACK” video, it is possible to view it as supporting a potential Fry candidacy, but we do not
17 believe that is the best view, or the view supported by Commission precedent. With respect to
18 the website, signs, banner, campaign logo, and video footage, the Complaint overlooks the
19 possibility that the Federal Committee’s debt to Ivory Tusk Consulting reported on its 2021
20 October Quarterly Report may have encompassed those expenses. On the other hand, the
21 Federal Committee’s reports do not disclose the details of its debt to Ivory Tusk Consulting, and
22 the Fry Response does not address that debt. Accordingly, while we believe it unlikely, we

cannot confirm that the expenses for the website, signs, banner, logo, and YouTube video were not paid for by the State Committee.

Under these circumstances, we recommend that the Commission dismiss the allegation that Fry, the State Committee, and the Federal Committee violated 11 C.F.R. § 110.3(d) in connection with the “PUSHING BACK” video, and dismiss the allegation that Fry, the State Committee, and the Federal Committee violated 11 C.F.R. § 110.3(d) and 52 U.S.C. § 30125(e)(1)(A) in connection with the expenses paid for Fry’s federal campaign website, signs, banner, campaign logo, and video footage. Finally, we recommend that the Commission dismiss the allegation that the Federal Committee failed to report the costs for the website, signs, banner, campaign logo, and September 22, 2021 YouTube video in violation of 52 U.S.C. § 30104(b).

B. The Commission Should Find No Reason to Believe that Grand Strand Brewing and the Hartsville Museum made, or that Fry and the Federal Committee Knowingly Accepted, In-kind Corporate Contributions in Violation of 52 U.S.C. § 30118(a) in the Form of Free Goods and Services.

The term “contribution” includes “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election to Federal office.”⁷⁷ The term “anything of value” includes “all in-kind contributions.”⁷⁸ “In-kind contributions,” include “the provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services is a contribution.”⁷⁹ The difference between the usual and normal charge for the goods or services at the time of the

⁷⁷ 52 U.S.C. § 30101(8)(A). For the purposes of section 30118, the term “contribution” includes the definition provided at 52 U.S.C. § 30101(8)(A) and also includes “any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section” 52 U.S.C. § 30118(b); 11 C.F.R. § 114.1(a).

⁷⁸ 11 C.F.R. § 100.52(d)(1).

⁷⁹ *Id.*

1 contribution and the amount actually charged is treated as an in-kind contribution.⁸⁰ The “usual
 2 and normal charge” for goods means the price of those goods in the market from which they
 3 ordinarily would have been purchased at the time of the contribution; and usual and normal
 4 charge for any services means “the hourly or piecework charge for the services at a
 5 commercially reasonable rate prevailing at the time the services were rendered.”⁸¹

6 The Act prohibits corporations from making contributions to federal candidates and bars
 7 candidates and political committees, other than independent expenditure-only political
 8 committees and committees with hybrid accounts, from knowingly accepting or receiving
 9 corporate contributions.⁸² The Act also prohibits corporate officers and directors from
 10 consenting to such contributions.⁸³ This prohibition extends to a campaign’s unreimbursed use
 11 of a corporation’s facilities.⁸⁴

12 Any candidate or political committee that uses a corporation’s resources must reimburse
 13 the corporation in full at the normal and usual rental charge within a commercially reasonable
 14 time.⁸⁵ A corporation may offer its meeting rooms to a candidate or a political committee at a
 15 discount or for free if: (1) it customarily makes the meeting rooms available to clubs, civic or
 16 community organizations or other groups at a discount or for free; (2) it makes the meeting

⁸⁰ *Id.*

⁸¹ *Id.* (“Examples of such goods or services include, but are not limited to: Securities, facilities, equipment, supplies, personnel, advertising services, membership lists, and mailing lists.”).

⁸² 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b), Note to Paragraph (b) (explaining that corporations and labor organizations may make contributions to nonconnected political committees that make only independent expenditures, or to separate accounts maintained by nonconnected political committees for making only independent expenditures).

⁸³ 52 U.S.C. § 30118(a).

⁸⁴ 11 C.F.R. § 114.9(a).

⁸⁵ *Id.* §§ 114.2(f)(2)(B), 114.9(d).

rooms available on the same terms given to the other groups using the meeting rooms; and (3) it makes the meeting rooms available to any other candidate or political committee upon request.⁸⁶

The Complaint does not allege that Grand Strand Brewing does not customarily make its space available to clubs, civic or community organizations, or other groups. Nor does the Complaint allege that Grand Strand Brewing failed to make its space available to any other candidate or committee upon request. Grand Strand Brewing states that portions of the brewery are “regularly” made available for groups on request and without charge.⁸⁷ We have no information to the contrary. Nor do we have any information that Grand Strand Brewing failed to make its space available to any other candidate or political committee upon request.

Accordingly, the record does not indicate that Grand Strand Brewing made a corporate contribution to Fry or the Federal Committee in connection with Fry’s August 5, 2021 campaign event.

The Complaint’s allegation with respect to the alleged free use of the Edition is against the Hartsville Museum, an alleged corporation.⁸⁸ However, it appears that the Edition is, in fact, owned by the city of Hartsville.⁸⁹ There is no information in the record indicating that Hartsville is a corporation. But assuming that it is, the record shows that the city of Hartsville did not make a corporate contribution because it did not provide goods or services at less than the usual and

⁸⁶ *Id.* § 114.13.

⁸⁷ Grand Strand Brewing Resp.

⁸⁸ *See* Compl. at 5, 7. The South Carolina Secretary of State’s online business entity search reveals that there is a nonprofit corporation named “The Hartsville Museum Foundation,” but it is not clear whether this entity owns The Edition. *See* South Carolina Secretary of State, Business Entities Online Business Name Search (search “Hartsville Museum”), <https://businessfilings.sc.gov/BusinessFiling/Entity/Search> (last visited Feb. 7, 2024).

⁸⁹ City of Hartsville Resp. at 1.

1 normal charge.⁹⁰ The city of Hartsville's response, submitted by the City Clerk, states that "the
 2 organizers of the event paid the normal hourly rate charged for rental" of the Edition space.⁹¹
 3 The city of Hartsville's response includes what appears to be a standard application form titled
 4 "The Edition Rental Form" displaying predetermined fees that apply to conference rooms and
 5 the entire space, along with rules and regulations that apply to all rentals.⁹² The application form
 6 shows that Phillip Habib, Russell Fry's campaign manager for the federal campaign,⁹³ applied to
 7 rent the Edition space for two hours on February 24, 2022, for a "political meet and greet" and
 8 listed "RJ May" from Ivory Tusk Consulting as a contact who would be reachable the day of the
 9 event, as well the name of a caterer.⁹⁴ The record also shows that Robert J. May, III, founder
 10 and owner of Ivory Tusk Consulting,⁹⁵ paid \$400 to rent the Edition space: the \$200 rental price
 11 for two hours, plus a \$200 deposit.⁹⁶ Because the amount paid appears to have been the normal
 12 charge to rent the entire space for two hours, as listed on the rental form, it does not appear that
 13 the event space at the Edition for Fry's February 24, 2022 campaign event was provided without
 14 charge or at less than the usual and normal charge. Moreover, because Westwood BBQ is listed

⁹⁰ The Act's definition of "person" does not exclude a state or local government. *See* 52 U.S.C. §§ 30101(10); F&LA at 5, MUR 5815 (Madrid for Congress, *et al.*) (citing AO 2000-05, AO 1999-7, MUR 3986, and MUR 1686 as support for interpreting "person" to includes state governments). Therefore, if the city of Hartsville was not a corporation, it would still be subject to the Act's contribution limits. *See* 52 U.S.C. § 30116(a), (f). Because the city of Hartsville did not provide goods or services at less than the usual and normal charge, it would not have made an excessive kind contribution in violation of 52 U.S.C. § 30116(a).

⁹¹ City of Hartsville Resp. at 1.

⁹² *Id.* at 2 (listing hourly and daily rates for the use of a conference room and hourly and daily rates for the use of the entire space).

⁹³ First Tuesday Strategies, Who We Are, Phillip Habib, https://www.firsttuesdaystrategies.com/our_team/phillip-habib/
[\[https://web.archive.org/web/20230928034346/https://www.firsttuesdaystrategies.com/our_team/phillip-habib/\]](https://web.archive.org/web/20230928034346/https://www.firsttuesdaystrategies.com/our_team/phillip-habib/).

⁹⁴ City of Hartsville Resp. at 2.

⁹⁵ *See* Ivory Tusk Consulting, Facebook, <https://www.facebook.com/IvoryTuskConsulting/> (last visited Dec. 19, 2023); Ivory Tusk Consulting, <https://web.archive.org/web/20220204080743/https://ivorytuskconsulting.com/> (last visited Dec. 19, 2023).

⁹⁶ City of Hartsville Resp. at 2, 7.

as the caterer for Fry's February 24, 2022 campaign event, it also appears that the city of Hartsville did not provide catering services at less than the usual and normal charge.⁹⁷

Grand Strand Brewing appears to have met the requirements of 11 C.F.R. § 114.13 with respect to the Fry campaign event on its premises on August 5, 2021. Accordingly, we recommend that the Commission find no reason to believe that Grand Strand Brewing made, or that Fry and the Federal Committee knowingly accepted, a corporate contribution, in violation of 52 U.S.C. § 30118(a), in connection with that event. Further, we recommend that the Commission find no reason to believe that the Hartsville Museum made, or that Fry and the Federal Committee knowingly accepted, a corporate contribution 52 U.S.C. § 30118(a) in connection with the Fry campaign event held at the Edition on February 24, 2022. And because the Federal Committee did not accept the alleged corporate contributions from Grand Strand Brewing and the city of Hartsville, we further recommend that the Commission find no reason to believe that the Federal Committee violated 52 U.S.C. § 30104(b) by failing to report those alleged contributions.

C. The Commission Should Find No Reason to Believe that Fry and the Federal Committee Violated 11 C.F.R. § 101.3 by Failing to Report Disbursements for "Testing-the-Waters" Activities

The Act defines a "candidate" as "an individual who seeks nomination for election, or election, to Federal office."⁹⁸ Under the Act, an individual is deemed to seek nomination for election, or election, to Federal office when such individual "has received contributions aggregating in excess of \$5,000 or has made expenditures aggregating in excess of \$5,000."⁹⁹

⁹⁷ *Id.* at 2.

⁹⁸ 52 U.S.C. § 30101(2).

⁹⁹ *Id.* § 30101(2)(A).

1 An individual who is not a “candidate” may decide to “test the waters” prior to declaring
 2 candidacy.¹⁰⁰ Money raised and spent solely to “test the waters” does not count towards the
 3 \$5,000 candidate threshold until the individual decides to run for federal office or conducts
 4 activities that indicate they have decided to become a candidate.¹⁰¹ To “test the waters,” the
 5 individual may, among other things, conduct polls, make telephone calls, and travel to determine
 6 the viability of their potential candidacy.¹⁰² While testing the waters, the individual need not file
 7 reports with the Commission disclosing money received and spent for the purpose of exploring
 8 their viability, although all funds received and spent for such activities remain subject to the
 9 Act’s limits and prohibitions.¹⁰³ If the individual subsequently becomes a candidate, those funds
 10 must be reported in the first report filed by that candidate’s principal campaign committee.¹⁰⁴

11 The Complaint’s allegation with respect to unreported testing-the-waters expenses rests
 12 on its assertions that Fry must have incurred travel costs in order to gauge interest in a possible
 13 federal candidacy and that Ivory Tusk Consulting must have been providing guidance to Fry

¹⁰⁰ 11 C.F.R. §§ 100.72, 100.131.

¹⁰¹ *Id.*; F&LA at 8, MUR 6970 (Peter DiCianni, *et al.*) (“An individual becomes a candidate for federal office when he or she is deemed to have decided to run for office and receives or has received contributions or makes or has made expenditures in excess of \$5,000”); F&LA at 7, MUR 6735 (Sestak) (statements in individual’s solicitation emails referring to individual as candidate “clearly establish[ed] that [individual] had decided to ‘seek’ election”); F&LA at 4, MUR 6224 (Carly Fiorina) (“Once an individual meets the \$5,000 threshold and has decided to become a candidate . . .”); Statement of Reasons of Comm’rs Petersen, Hunter, McGahn, and Weintraub at 2, MUR 5930 (Kirk Schilling) (where the individual conditioned his candidacy upon the incumbent’s decision to run, “the individual cannot be said to have decided to run until the condition precedent occurs.”); F&LA at 7, MUR 5693 (Aronsohn) (statements in individual’s solicitation letter to supporters indicated “he has decided to run”); Statement of Reasons of Comm’rs Thomas, Wold, Elliot, Mason, McDonald & Sandstrom, MUR 4759 (Friends of Phil Maloof) (“money raised and spent solely to ‘test the waters’ does not count towards this dollar threshold until the individual decides to run for federal office or conducts activities that indicate he or she has decided to become a candidate.”).

¹⁰² 11 C.F.R. §§ 100.72, 100.131.

¹⁰³ 11 C.F.R. §§ 100.72, 100.131; Prior to the 1985 testing the waters regulations, however, the Commission, in Advisory Opinions 1982-19 and 1983-9, determined that the prohibitions, limitations, and requirements of the Act become applicable only when an individual becomes a candidate. *See* Payments Received for Testing the Waters Activities; Transmittal to Congress, 50 Fed. Reg. 9992, 9994 (Mar. 13, 1985) (reversing pre-1985 interpretation).

¹⁰⁴ 11 C.F.R. §§ 100.72, 100.131.

about a possible federal candidacy.¹⁰⁵ Without any facts to support its assertion, the Complaint's allegation is entirely speculative and pure speculation is insufficient grounds to find reason to believe.¹⁰⁶ Accordingly, we recommend that the Commission find no reason to believe that Fry and the Federal Committee violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 101.3 by failing to report disbursements for "testing-the-waters" activities.¹⁰⁷

D. The Commission Should Find No Reason to Believe that the Palmetto Post Made, or that Fry and the Federal Committee Knowingly Accepted, Excessive Contributions in Violation of 52 U.S.C. § 30116(f) in the Form of Coordinated Communications

The Act prohibits any person from making contributions to any candidate and the candidate's authorized political committee in excess of the limits at 52 U.S.C. § 30116(a), and candidate committees are prohibited from knowingly accepting excessive contributions.¹⁰⁸ The Complaint alleges that the Palmetto Post's online articles, social media posts, and emails were coordinated communications and thus in-kind contributions to Fry's campaign.¹⁰⁹ As stated above, in-kind contributions include the "provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services."¹¹⁰ In-kind contributions also include "coordinated expenditures," that is, expenditures "made by any person

¹⁰⁵ Compl. at 8.

¹⁰⁶ See *Common Cause Georgia v. FEC*, 2023 WL 6388883 at *6 (D.D.C. 2023) ("speculation is not enough" to find reason to believe); see also Statement of Reasons, Comm'rs Mason, Sandstrom, Smith & Thomas at 1-2, MUR 4960 (Hillary Rodham Clinton for US Senate Expl. Comm., Inc., *et al.*) ("The Commission may find 'reason to believe' only if a complaint sets forth sufficient specific facts which, if proven true, would constitute a violation of the [Act]. . . . [M]ere speculation . . . will not be accepted as true.").

¹⁰⁷ See F&LA 8099 (Kevin McCarthy, *et al.*) (finding no reason to believe "[i]n light of the minimal and speculative information supporting the allegations and the denials" of the respondents").

¹⁰⁸ 52 U.S.C. § 30116(f).

¹⁰⁹ Compl. at 9.

¹¹⁰ 11 C.F.R. § 100.52(d) (listing examples of goods or services, such as securities, facilities, equipment, supplies, personnel, advertising services, membership lists, and mailing lists).

1 in cooperation, consultation or in concert, with, or at the request or suggestion of, a candidate,
 2 his [or her] authorized committees, or their agents.”¹¹¹

3 Commission regulations set forth a three-prong test for when a communication is
 4 “coordinated” with a candidate, an authorized committee, a political party committee, or agent
 5 thereof, and treated as an in-kind contribution: (1) the communication is paid for, partly or
 6 entirely, by a person other than the candidate, authorized committee, political party committee,
 7 or agent thereof; (2) the communication satisfies at least one of the “content standards” at
 8 11 C.F.R. § 109.21(c); and (3) the communication satisfies at least one of the “conduct
 9 standards” at 11 C.F.R. § 109.21(d).¹¹² All three prongs must be satisfied for a communication
 10 to be considered coordinated under the regulations. Agreement or formal collaboration is not
 11 required for a communication to be a coordinated communication.¹¹³

12 Here, the Palmetto Post’s online articles, social media posts, and emails do not satisfy the
 13 content prong of the Commission’s coordinated communication regulation.¹¹⁴ For a
 14 communication to satisfy the content prong, it must, among other things, be either an
 15 “electioneering communication” or a “public communication.”¹¹⁵ Communications over the
 16 internet are specifically exempted from the definition of electioneering communication and the
 17 term “public communication” also excludes communications over the Internet, except for

¹¹¹ 52 U.S.C. § 30116(a)(7)(B); 11 C.F.R. § 109.20.

¹¹² 11 C.F.R. § 109.21(a)-(d).

¹¹³ *Id.* § 109.21(e).

¹¹⁴ If Audrey Hudson was acting as Fry’s agent any payment by her for the Palmetto Post’s online articles, social media posts, and emails would not satisfy the regulation’s payment prong. *See id.* § 109.20 (coordination regulations’ reference to candidate, candidate’s authorized committee, or a political party committee “includes an agent thereof”); *id.* at § 109.21(a)(1) (requiring communication be paid for by a person *other than* the candidate, candidate’s authorized committee, or political party committee to satisfy the payment prong).

¹¹⁵ *See id.* § 109.21(c).

1 communications placed for a fee on another person's website, digital device, application, or
 2 advertising platform.¹¹⁶ The record does not indicate that any of the Palmetto Post's online
 3 articles, social media posts, and emails complained of in this matter were placed for a fee. Thus,
 4 those communications are neither electioneering communications nor public communications
 5 and therefore, do not satisfy the content prong of the coordination analysis.¹¹⁷ In turn, because
 6 the Palmetto Post's online articles, social media posts, and emails are not coordinated
 7 communications, their costs are not treated as in-kind contributions.

8 Accordingly, we recommend that the Commission find no reason to believe that the
 9 Palmetto Post or Audrey Hudson made, or that Fry and the Federal Committee knowingly
 10 accepted, excessive in-kind contributions in violation of 52 U.S.C. § 30116(a) and (f) in the form
 11 of coordinated communications via the Palmetto Posts' online articles, social media posts, and
 12 emails.¹¹⁸

¹¹⁶ *Id.* §§ 100.26, 100.29(c); *see also* Internet Communication Disclaimers and Definition of "Public Communication," 87 Fed. Reg. 77,467, 77,471 (Dec. 19, 2022) (amending definition of "public communication").

¹¹⁷ *Id.* *See, e.g.* F&LA at 12-13, MUR 7788 (Pallotta for Congress, *et al.*) (electronic mail fails content prong of 11 C.F.R. § 109.21).

¹¹⁸ The Complaint does not allege that the Palmetto Post is a corporation. *See* Compl. Nor does any publicly available information suggest that the Palmetto Post is a corporation. *See* THE INTERNET ARCHIVE/WAYBACK MACHINE, <https://web.archive.org/web/20220606031859/https://www.palmettopostnews.com/> (last visited Dec. 4, 2023); South Carolina Secretary of State, Business Name Search, <https://businessfilings.sc.gov/BusinessFiling/Entity/Search> (last visited Feb. 7, 2024) (search "Palmetto Post").

IV. ADDITIONAL ISSUES

Public information reviewed in the normal course of preparing our recommendations in this matter reveals an additional potential violation of the Act's soft money prohibitions. Disclosure reports filed with the South Carolina State Ethics Commission show that the State Committee donated \$10,000 to "SCGOP," which we believe refers to the South Carolina GOP, in the fourth quarter of 2022.¹¹⁹ In MUR 6985 (Zeldin for Senate, *et al.*), the Commission found reason to believe that the state campaign committee of federal candidate Lee Zeldin (a federal candidate and New York state senator) violated 52 U.S.C. § 30125(e)(1)(B) by donating \$99,655, of which some portion did not comply with the Act's amount limitations and source prohibitions, to state and local candidates and parties.¹²⁰

Here, based on his public statements, it does not appear that Fry was simultaneously a candidate for nonfederal office in 2022.¹²¹ A review of the State Committee's receipts shows that its last \$10,000 received encompassed five individual contributions totaling \$440, nine corporate contributions totaling \$3,276.75, nine PAC contributions totaling \$6,049.20, and two

¹¹⁹ Attach. 3.

¹²⁰ See F&LA at 4, MUR 6985 (Zeldin for Senate, *et al.*) (viewing such donations as "transferring, spending, or disbursing funds in connection with a nonfederal election" within the meaning of 52 U.S.C. § 30125(e)(1)(B)). More recently, without rejecting the legal interpretation in the Zeldin matter, the Commission was equally divided over whether to find reason to believe that Andrew Garbarino, a New York State Assemblyman, violated 52 U.S.C. § 30125(e)(1)(B) by making \$19,300 in political contributions to various state and local political committees where the Commission disagreed over whether Garbarino was simultaneously a state and federal candidate. See First GCR at 12-14 & Cert. (Aug. 11, 2023), MUR 8062 (Andrew Garbarino, *et al.*).

¹²¹ J. Dale Shoemaker, *A Surfside Beach legislature seat is now open. Who might fill it?*, MYRTLE BEACH SUN NEWS (Aug. 9, 2021), <https://www.myrtlebeachonline.com/news/politics-government/article253323273.html> (quoting Fry as saying "'I will not be a candidate in two races,'" and "'I'm running for Congress.'"). The Commission has previously credited press articles reporting that a federal candidate was no longer seeking state office. See F&LA at 2 n.2, 4 n. 13 (Zeldin for Senate, *et al.*) (crediting (but not citing) news article relied upon in the First General Counsel's Report that reported Lee Zeldin was not seeking reelection to his New York State Senate seat). But see MUR 8062 (Andrew Garbarino, *et al.*) (Commission was equally divided, 3-3, in part, because of uncertainty as to whether Andrew Garbarino qualified as a dual candidate under New York state law).

LLC contributions totaling \$600.¹²² Thus, it appears that some portion of the \$10,000 donation likely consisted of nonfederal funds.¹²³ But this potential violation was not raised in the Complaint. In light of the recommendations to find no reason to believe and dismiss the Complaint's allegations in this matter, we make no recommendations as to this activity.¹²⁴

V. RECOMMENDATIONS

1. Find no reason to believe that Russell Fry, Fry for House, and Fry for Congress and David Cole in his official capacity as treasurer violated 52 U.S.C. § 30125(e)(1)(A) in connection with Fry for House's payment for the video titled "PUSHING BACK – A mid-session legislative update from the SC House";
2. Dismiss the allegation that Russell Fry, Fry for House, and Fry for Congress and David Cole in his official capacity as treasurer violated 11 C.F.R. § 110.3(d) in connection with the Fry for House's payment for the video titled "PUSHING BACK – A mid-session legislative update from the SC House";
3. Dismiss the allegation that Russell Fry, Fry for House, and Fry for Congress and David Cole in his official capacity as treasurer violated 52 U.S.C. § 30125(e)(1)(A) and 11 C.F.R. § 110.3(d) in connection with the alleged payment by Fry for House for a federal campaign website, signs, banner, campaign logo, and September 22, 2021 YouTube video footage;
4. Dismiss the allegation that Fry for Congress and David Cole in his official capacity as treasurer failed to report the costs for the website, signs, banner,

¹²² Attach. 3.

¹²³ The corporate contributions alone indicate a possible amount in violation of \$3,276.75. The Commission has pursued at least one previous matter involving a violation of 52 U.S.C. § 30125(e)(1)(B) with a similar amount in violation. *See* Conciliation Agreement ¶ V., MUR 6957 (Isadore Hall II, *et al.*) (ballot measure committee controlled by a federal candidate accepted \$4,100 corporate contribution in violation of 52 U.S.C. § 30125(e)(1)(B)).

¹²⁴ This Office routinely alerts the Commission to potential violations not alleged in a complaint but discovered during the process of preparing the First General Counsel's Report. More recently, this Office has counseled against issuing reason to believe findings as to those additional violations. *See, e.g.*, First GCR at 8-10, MUR 7920 (Oklahomans for T.R.U.M.P. PAC, *et al.*); First GCR at 12 n.49, MUR 7863 (Astrid Silva, *et al.*). In MUR 7920, we stated that the "absence of specific allegations and a response, the non-federal nature of the Committee's spending and its terminated status" counseled against opening a MUR. *See* First GCR at 10, MUR 7920 (Oklahomans for T.R.U.M.P. PAC, *et al.*). We noted that if the Commission disagreed, it could "open a MUR pursuant to Commission Directive 6." *Id.* at 10 n.45. In at least one older matter, however, the Commission approved finding reason to believe as to additional violations not alleged in a complaint but discovered in the normal course of preparing recommendations in an enforcement matter without opening a new MUR. *See, e.g.*, First GCR at 2, 22-23 & Cert. (Oct. 7, 1999), MUR 4803 (Tierney for Congress, *et al.*) (finding reason to believe that outstanding debts may have constituted excessive or prohibited contributions and that a bank loan was improperly reported).

campaign logo, and September 22, 2021 YouTube video in violation of 52 U.S.C. § 30104(b);

5. Find no reason to believe that Grand Strand Brewing LLC made, or that Russell Fry and Fry for Congress and David Cole in his official capacity as treasurer knowingly accepted, a corporate contribution in violation of 52 U.S.C. § 30118(a) in connection with the August 5, 2021 campaign event at Grand Strand Brewing;

6. Find no reason to believe that the Hartsville Museum made, or that Russell Fry and Fry for Congress and David Cole in his official capacity as treasurer knowingly accepted, a corporate contribution in violation of 52 U.S.C. § 30118(a) in connection with the February 24, 2022 campaign event at the Edition;

7. Find no reason to believe that Fry for Congress and David Cole in his official capacity as treasurer violated 52 U.S.C. § 30104(b) by failing to report in-kind corporate contributions from Grand Strand Brewing and the Hartsville Museum, South Carolina;

8. Find no reason to believe that Russell Fry and Fry for Congress and David Cole in his official capacity as treasurer violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 101.3 by failing to report disbursements for “testing-the-waters” activities;

9. Find no reason to believe that the Palmetto Post or Audrey Hudson made, or that Russell Fry and the Fry for Congress and David Cole in his official capacity as treasurer knowingly accepted, excessive contributions in violation of 52 U.S.C. § 30116(a) and (f) in the form of coordinated communications via the Palmetto Posts’ online articles, social media posts, and emails;

10. Approve the attached Factual and Legal Analysis;

11. Approve the appropriate letters; and

12. Close the file.

Lisa J. Stevenson
 Acting General Counsel

Charles Kitcher
 Associate General Counsel for Enforcement

2/8/2024

Date

Adrienne C. Baranowicz
 Adrienne C. Baranowicz
 Deputy Associate General Counsel
 for Enforcement

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Ana J. Peña-Wallace

Ana J. Pena-Wallace
Assistant General Counsel

Christopher S. Curran

Christopher S. Curran
Attorney

Attachments:

1. List of State Committee's contributions
2. Transcript of PUSHING BACK video
3. List of State Committee's expenditures

STATE COMMITTEE'S CONTRIBUTIONS

Date	Contributor	Amount	Report	Type (apparent)
10/8/2019	Anheuser Busch Companies	\$500.00	2019 - Q4	Corp.
10/8/2019	Walmart Inc.	\$500.00	2019 - Q4	Corp
10/8/2019	Altria Client Services, LLC	\$1,000.00	2019 - Q4	Corp
12/6/2019	Pete Strom	\$1,000.00	2019 - Q4	Individual
12/31/2019	South Carolina Orthopaedic Association	\$1,000.00	2019 - Q4	Corp.
12/31/2019	HCA Good Government Fund of SC	\$500.00	2019 - Q4	PAC
12/31/2019	Caremark RX, Inc.	\$500.00	2019 - Q4	Corp
1/16/2020	Dwayne Kratt	\$250.00	2020 - Q1	Individual
1/31/2020	South Carolina Bankers Association State PAC	\$500.00	2020 - Q1	PAC
2/7/2020	Defender Services, Inc.	\$100.00	2020 - Q1	Corp
2/8/2020	Gerald Harmon	\$100.00	2020 - Q1	Individual
2/10/2020	Kelaher, Connell & Connor, P.C.	\$500.00	2020 - Q1	Corp
2/17/2020	SCBWA PAC	\$500.00	2020 - Q1	PAC
2/18/2020	Wine and Spirits Wholesalers Association of SC PAC	\$500.00	2020 - Q1	PAC
2/19/2020	SC Optometric Physicians Association	\$250.00	2020 - Q1	Corp
2/21/2020	Duke Energy Corporation PAC	\$500.00	2020 - Q1	PAC
2/24/2020	Credit Union PAC CUPAC of SC	\$300.00	2020 - Q1	PAC
2/29/2020	Island Vista	\$500.00	2020 - Q1	LLC
5/6/2020	SC Optometric Physicians Association	\$250.00	2020 - Q2	Corp
5/6/2020	Brian Sweeney	\$100.00	2020 - Q2	Individual
5/27/2020	SC REALTORS Political Action Committee	\$1,000.00	2020 - Q2	PAC
5/27/2020	SCADA Dealer PAC	\$999.20	2020 - Q2	PAC
6/19/2020	Independent Consumer Finance Assoc. of SC	\$250.00	2020 - Q2	Corp.
7/27/2020	Walmart Inc.	\$500.00	2020 - Q3	Corp.
10/14/2020	Friends of Farm Bureau	\$750.00	2020 - Q3	PAC
10/14/2020	SC Retail Political Action Committee	\$500.00	2020 - Q3	PAC
10/14/2020	Trucking Industry Non-Partisan PAC	\$500.00	2020 - Q3	PAC
11/16/2020	SC Assoc. for Justice PAC	\$1,000.00	2020 - Q4	PAC
11/27/2020	Caremark RX, Inc.	\$500.00	2020 - Q4	Corp.
12/30/2020	Mobley Drugs, Inc.	\$250.00	2020 - Q4	Corp.
12/30/2020	Publix Super Markets, Inc.	\$500.00	2020 - Q4	Corp.
12/30/2020	Rabons Home Center LLC	\$100.00	2020 - Q4	LLC
2/22/2021	Lynn Sinatra	\$30.00	2021 - Q1	Individual
4/10/2021	Trevor Valenti	\$200.00	2021 - Q2	Individual
4/30/2021	Diane Orłowski	\$100.00	2021 - Q2	Individual

11/10/2021	Publix Super Markets, Inc.	\$500.00	2021 - Q4	Corp.
11/29/2021	WDW Resorts	\$276.75	2021 - Q4	Corp.
6/14/2022	Nathan Newbury	\$10.00	2022 - Q2	Individual

“PUSHING BACK” VIDEO – TRANSCRIPT

[Russell Fry:] radical leftists in Washington are doing everything they can to erase Donald Trump’s America first agenda. But here in South Carolina we’re pushing back against federal overreach and liberal extremism. I’m Russell Fry, husband, father, and your conservative state representative from Horry County.

We all want to take back Congress next year and the White House in 2024, but we can't wait that long. States must act now. That’s why I’m proud to lead the charge in slamming the brakes on DC’s power grab and protecting our conservative values at the state house. That’s why in the three short months South Carolina’s state house has been in session this year I have actively supported the strongest pro-life legislation ever, passed the fetal heartbeat bill, the biggest advancement in Second Amendment rights in nearly 30 years, the open carry with training act with more pro-Second Amendment legislation on the way, stood up for religious freedom by passing the religion as essential act that boldly proclaims houses of worship are vital during states of emergency, and which prohibits the government from locking our church doors, and voted in favor of limiting executive authority to keep any future governor in check and accountable to the people, and proudly back legislation that enhances the integrity of South Carolina’s election. Forty six counties should not have forty six different processes. They should have one standardized set in every election there's still more to do this session and we’re not done yet, with thousands of students kept out of the classrooms this year even in Horry County, the pandemic highlighted the urgent need to return decision-making power in education back to the parents and maximize flexibility for our families, which is why I’ve proudly co-authored house bill 3976 that would do just that; enact true school choice here in South Carolina by creating education savings accounts for students. As a parent you know better than any bureaucrat in Columbia or Washington what learning environment best suits your child’s needs. Let’s fund students not bureaucrats.

South Carolina has such an incredible history in people we know the value of hard work the importance of family. We are faithful and principled we have an eye to the future but respect our incredible shared history. Each generation of South Carolinians improving on and fulfilling the promise of this great nation and furthering the cause of freedom. There is no better place I’d want to call home, and you know what I’m not alone. People are coming here from all around to call this great state home. They see what we all see a welcoming state and a better opportunity. Let’s not ever lose sight of that. It’s what makes us special but there is still more work to do.

I hope in the final months of this session we can keep up the effort to secure our elections, pass true school choice legislation, and civil asset forfeiture, tackle the opioid and fentanyl epidemic, crack down on human trafficking, and pass a balanced budget. I need you to stand with me for our conservative values. Please visit fry4house.com, sign up for our

newsletter and join the fight together we can show Washington, DC and other states what we all know; this is truly a great country.¹

¹ Russell Fry, PUSHING BACK – A mid-session legislative update from the SC House, YouTube (Apr. 8, 2021), <https://www.youtube.com/watch?v=xdFZ2xcirgQ>.

STATE COMMITTEE'S EXPENDITURES

Date	Vendor	Address	Description
10/19/2018	Kevin Hughes	1025 Carolina Rd. Unit D4	Campaign Services
10/19/2018	Jacob Seay	1700B Destiny Ln.	Campaign Services
10/19/2018	Art World	1727 Holly Hill Dr.	Constituent Framing
10/19/2018	Art World	1727 Holly Hill Dr.	Constituent Framing
10/19/2018	Ashlie Sanders Photography	8 Indian Oak Ln.	Campaign Photography Session
10/22/2018	Kevin Hughes	1025 Carolina Rd. Unit D4	REIMB - Campaign supplies and stamps
10/22/2018	Jacob Seay	1700B Destiny Ln.	REIMB - Sign stakes
10/22/2018	Carla Miller	309 Southern Branch Rd.	Campaign Services
10/22/2018	Nacho Hippo	1160 Farrow Pkwy	Campaign Meeting
10/24/2018	River City Cafe	11 Ocean Blvd.	Campaign Event Catering
10/24/2018	Pronto Press	3135 Fred Nash Blvd	Campaign Event Printing
10/25/2018	Ashlie Sanders Photography	8 Indian Oak Ln.	Campaign Photography
10/29/2018	Facebook, Inc.	1601 Willow Rd.	Advertising
11/1/2018	Facebook, Inc.	1601 Willow Rd.	Advertising
11/2/2018	Dagwoods Myrtle Beach	400 Mister Joe White Ave.	Campaign Meeting
11/3/2018	River City Cafe	11 Ocean Blvd.	Super Saturday Volunteer Lunch and Catering
11/3/2018	McDonalds Restaurant	9527 Hwy. 707	Volunteer Breakfast
11/3/2018	Surfside Jenny's	1013 Glenn's Bay Rd.	Campaign Meeting
11/6/2018	Longbeard's Bar & Grill	5040 Carolina Forest Blvd.	Campaign Meeting
11/6/2018	Lincoln Park Bar & Grille	8739 Hwy., 17 Bypass S.	Campaign Lunch Meeting
11/6/2018	Dunkin' Donuts	8709 Hwy. 17 Bypass	Election Day Activities/Meeting
11/6/2018	McDonalds Restaurant	9527 Hwy. 707	Volunteer Breakfast
11/6/2018	Longbeard's Bar & Grill	5040 Carolina Forest Blvd.	Campaign Meeting
11/8/2018	Kevin Hughes	1025 Carolina Rd. Unit D4	Campaign Services
11/8/2018	Ryan Hughes	100 Chanticleer Dr.	Campaign Services
11/8/2018	Gray Thomas	100 Chanticleer Dr.	Campaign Services
11/8/2018	Jacob Seay	1700B Destiny Ln.	Campaign Services
11/8/2018	ITC	338 Lake Frances Dr.	Polling, Radio, Signs, Design Work, Printing
11/9/2018	Andrew Hovasapian	1025 Carolina Rd. Unit D4	Campaign Services
11/9/2018	Carla Miller	309 Southern Branch Rd.	Campaign Services
11/15/2018	Wicked Tuna	4123 US-17 Bus.	Staff Dinner
11/16/2018	Russell Fry	P.O. Box 14444	REIMB - White House Meeting Air and Travel Expenses
11/16/2018	Rick Elliott	P.O. Box 3715	Excess Contribution Returned
11/16/2018	Jacob Seay	1700B Destiny Ln.	Campaign Services
11/16/2018	Kevin Hughes	1025 Carolina Rd. Unit D4	Campaign Services
11/19/2018	Weebly, Inc.	460 Bryant St. 100	Website fees

11/25/2018	Anedot	PO Box 84314	Credit Card Processing Fees
12/3/2018	Facebook, Inc.	1601 Willow Rd.	Advertising
12/10/2018	Pronto Press	3135 Fred Nash Blvd	Letter Printing
12/17/2018	Howard Still	Solomon Blatt Building	Cleaning Staff Christmas Appreciation
12/23/2018	Target	140 Sayebrook Pkwy.	Staff Christmas Appreciation
1/7/2019	ITC	338 Lake Frances Dr.	Printing Services - Check No. 1118
1/19/2019	South Strand Republican Club	523 Inverrary St.	SSRC Legislative Breakfast Sponsorship - Check No. 1119
1/27/2019	USPS	420 Hwy. 17 N.	Post Office Box Fee - Check No. 1120
2/25/2019	Starboard Communications	1043 Barr Rd.	Printing Services
2/28/2019	Elite Framing	2119 College St.	Constituent Framing - Check No. 1062
3/13/2019	Anedot	PO Box 84314	Credit Card Fees
3/25/2019	Office Depot	1105 Seaboard St.	Binder and Tabs for Ethics Filings
3/31/2019	Starboard Communications	1043 Barr Rd.	Midsession Legislative Update - Check No. 1064
3/31/2019	Art World	1727 Holly Hill Dr.	Constituent Framing - Check No. 1063
4/8/2019	Craft Axe Throwing	700 Gervais St.	Venue fee for fundraiser
4/13/2019	Horry County Republican Party	P.O. Box 50662	Membership
4/25/2019	Mouse House, Inc.	2123 Park St.	Constituent Framing
5/1/2019	Facebook, Inc.	1601 Willow Rd.	Advertising
5/17/2019	Sheraton	1400 Main St.	Legislative Travel - SCGOP Convention
5/22/2019	The Shark Club	10800 Hwy. 707	Golf Tournament Sponsorship
5/22/2019	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
6/18/2019	Starboard Communications	1043 Barr Rd.	Constituent Letter
6/18/2019	Starboard Communications	1043 Barr Rd.	Fundraiser Expenses
6/20/2019	Art World	1727 Holly Hill Dr.	Constituent Framing
6/21/2019	Socastee Athletics	4900 Socastee Blvd.	T-Shirt Sponsorship
6/30/2019	Anedot	PO Box 84314	Credit Card processing fees
7/9/2019	SC House of Representatives	Blatt Building	Postage Reimb
9/9/2019	Starboard Communications	1043 Barr Rd.	Fundraising Event Services
9/9/2019	SC Federation of Republican Women	215 Convair Dr.	Convention Breakfast Sponsorship
9/9/2019	Myrtle Beach-Conway FCA	2051 Forestbrook Rd.	Golf Tournament Sponsorship
9/20/2019	Marriott	8400 Costa Verde Dr.	SCHRC Retreat
9/27/2019	Russell Fry	P.O. Box 14444	REIMB - NCSL Conference Travel
11/12/2019	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
11/12/2019	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials

11/19/2019	Weebly, Inc.	460 Bryant St. 100	Website Hosting
12/12/2019	Anedot	PO Box 84314	Credit Card Processing Fees
12/17/2019	Howard Still	Solomon Blatt Building	Custodial Staff Expense - Christmas
12/31/2019	ITC	338 Lake Frances Dr.	Constituent Christmas Mailing
1/19/2021	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
1/19/2021	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
1/23/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email services
1/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email services
2/8/2021	USPS	420 Hwy. 17 N.	Post Office Box Renewal Fee
2/21/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email services
2/24/2021	Anedot	PO Box 84314	Credit Card Processing Fees
2/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email services
3/9/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
3/25/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email services
3/25/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
3/30/2021	Jango Studios	2001 Craigsen Ln.	Website Hosting/Security - Check No. 1001
4/8/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
4/8/2021	Harland Clark	2002 Oak St.	Order checks
4/10/2021	Anedot	PO Box 84314	Credit card processing fee
4/12/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
4/12/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
4/23/2021	Trevor Valenti	41 Long Valley Blvd.	Refund of contribution
4/24/2021	Horry County Republican Party	P.O. Box 50662	Convention fee
4/25/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
4/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
4/28/2021	SC House Republican Caucus	P.O. Box 21	Email list
4/29/2021	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
4/29/2021	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
4/29/2021	Judy's Flowers	225 N. Main St.	Memorials
4/30/2021	Anedot	PO Box 84314	Credit card processing fee

5/6/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
5/14/2021	Duck Donuts	117 Maryport Dr Unit 1	GOP Convention Sponsorship
5/25/2021	Facebook, Inc.	1601 Willow Rd.	Advertising
5/26/2021	American Legislative Exchange Council	2900 Crystal Dr., 6th Floor	Membership Fee
5/28/2021	American Legislative Exchange Council	2900 Crystal Dr., 6th Floor	Annual Meeting Fee
6/10/2021	GoDaddy	14455 N. Hayden Rd 219	Website Domain Subscription Fee
6/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
7/5/2021	ITC	338 Lake Frances Dr.	Spring legislative update and survey mailer, postage, state house website update, graphic design, and legislative update video shoot.
7/12/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
7/12/2021	The Sympathy Store	407 E. Fort Street 3rd Floor	Memorials
7/16/2021	USPS	420 Hwy. 17 N.	Post office key
7/25/2021	American Airlines	4333 Amon Carter Blvd.	Legislative Travel
7/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Monthly Email Service Fee
7/27/2021	American Airlines	4333 Amon Carter Blvd.	Baggage fees
7/27/2021	Republic Parking System	1301 Assembly St	Airport parking
7/27/2021	American Airlines	4333 Amon Carter Blvd.	Flight Wifi Fee
7/30/2021	The Grand America Hotel	555 South Main St.	Legislative Conference - Hotel
7/30/2021	Hilton Columbia	924 Senate Street	Legislative Travel - Hotel Room - SCGOP Silver Elephant Dinner
7/30/2021	American Airlines	5501 Josh Birmingham Pkwy	Airport parking garage fee
7/30/2021	American Airlines	4333 Amon Carter Blvd.	Flight wifi connection
7/31/2021	Hilton Columbia	924 Senate Street	Hotel self parking fee
7/31/2021	City of Columbia	3000 Harden Street	Parking Fee
8/2/2021	SCGOP	1913 Marion St.	Silver Elephant Dinner Table Sponsorship
8/9/2021	Horry County Republican Women	867 Brant St.	Associate Membership fee
8/20/2021	Hyatt Wild Dunes	5757 Palm Blvd.	SCRHC Chairmans Reception
8/26/2021	The Sympathy Store	407 E. Fort Street 3rd Floor	Memorials
8/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Monthly Email Service Fee
9/8/2021	Pronto Press	3135 Fred Nash Blvd	State House business cards
9/16/2021	Myrtle Beach-Conway FCA	2051 Forestbrook Rd.	Golf Tournament Hole Sponsorship

9/22/2021	Tower at 1301 Gervais Parking	1301 Gervais St.	SCHRC Meeting Parking
9/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Monthly Email Service Fee
10/4/2021	USPS	505 N. Kings Hwy.	Stamps
10/13/2021	SC House of Representatives	Blatt Building	Flag
10/26/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Monthly email service fees
10/29/2021	SCGOP	1913 Marion St.	Conference Fee
11/1/2021	WDW Resorts	1000 Buena Vista Dr.	Legislative Conference Lodging (Refunded)
11/1/2021	WDW Resorts	1000 Buena Vista Dr.	Legislative Conference Lodging
11/8/2021	BSA Troop 801	976 Fiddlehead Way	Golf tournament sponsorship
11/9/2021	Alli D Photography	123 Main St.	Photography
11/18/2021	Weebly, Inc.	460 Bryant St. 100	Website fees
11/29/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Monthly email service fees
12/6/2021	Dogwood Hill	26460 AL-71	Christmas Cards
12/8/2021	USPS	505 N. Kings Hwy.	Stamps
12/8/2021	Horry County Republican Women	867 Brant St.	Event fee
12/10/2021	Target	140 Sayebrook Pkwy.	Surfside Parade supplies and candy
12/10/2021	Target	140 Sayebrook Pkwy.	Surfside Parade supplies and candy
12/11/2021	Food Lion	1610 Highway 17 S.	Surfside Parade supplies and candy
12/13/2021	USPS	505 N. Kings Hwy.	Stamps
12/14/2021	Howard Still	Solomon Blatt Building	Custodial Staff Christmas Appreciation
12/14/2021	Pronto Press	3135 Fred Nash Blvd	SC House Car Magnets
12/27/2021	Mailchimp	675 Ponce De Leon Ave NE 5000	Monthly email service fees
1/12/2022	On the Mark Sales	1301 Gervais St.	Design, Mailings, and Postage
1/17/2022	USPS	505 N. Kings Hwy.	Post Office Box Fee
1/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email Services
2/14/2022	Myrtle Beach-Conway FCA	2051 Forestbrook Rd.	Banquet Table Sponsorship
2/14/2022	Jango Studios	2001 Craigsen Ln.	Website hosting, backups, and security
2/14/2022	Greater Burgess Community Association	P.O. Box 1055	Community Sponsorship
2/15/2022	Fern Studio Flowers	2855 Devine St.	Memorials
2/17/2022	A Choice to Make	516 S Coit St	Event Sponsorship
2/18/2022	King Kong Sushi	2120 Oakheart Rd.	Constituent meeting
2/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email Services
3/11/2022	Picture This	Landmark Sq. Shopping Ctr.	Constituent framing

3/22/2022	Rob Shaw Gallery & Framing	324 State Street	Constituent Framing
3/23/2022	Picture This	Landmark Sq. Shopping Ctr.	Constituent Framing
3/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email services
3/27/2022	SC House of Representatives	Blatt Building	Flag
4/15/2022	Mellow Mushroom	3280 US 17	Constituent meeting
4/26/2022	ITC	338 Lake Frances Dr.	Midsession legislative update mailer, design, postage and survey
4/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
5/1/2022	Sparebox Storage	2777 US 501	Storage fee
5/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
6/1/2022	Sparebox Storage	2777 US 501	Storage fee
6/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fee
7/3/2022	ITC	338 Lake Frances Dr.	Legislative Town Hall Mailer
7/3/2022	Wedgewood Strategies LLC4428	4428 Wedgewood Dr.	Legislative Teletownhall Services
7/5/2022	Sparebox Storage	2777 US 501	Storage fees
7/7/2022	SC House of Representatives	Blatt Building	Flags
7/7/2022	SCGOP	1913 Marion St.	Silver Elephant Sponsorship
7/20/2022	NCSL	7700 East First Place	Registration Fee
7/22/2022	Russell Fry	P.O. Box 14444	Flight Reimbursement (NCSL Conf)
7/28/2022	Beach Buds Florist	760 Highway 17 Bus. S., Ste. B	Memorials
7/28/2022	Darlington GOP	400 Pearl St.	Banquet Sponsorship
7/31/2022	Budget Car Rental	8500 Pena Blv.	Legislative Travel Expense (Car Rental)
8/1/2022	American Airlines	4333 Amon Carter Blvd.	Baggage fees
8/1/2022	American Airlines	4333 Amon Carter Blvd.	Wifi fees
8/2/2022	Sparebox Storage	2777 US 501	Storage Fees
8/2/2022	Duo Restaurant	2413 W. 32nd Ave.	Legislative meeting
8/2/2022	D'Corazon	1530 Blake St. Ste. C	Legislative Meeting
8/5/2022	American Airlines	4333 Amon Carter Blvd.	Baggage fees
8/5/2022	American Airlines	4333 Amon Carter Blvd.	Wifi fees
8/5/2022	Republic Parking System	1301 Assembly St	Parking fees
8/5/2022	Hyatt Regency	650 15th St.	NCSL Lodging
8/29/2022	Russell Fry	P.O. Box 14444	Reimbursement for storage fees paid
9/1/2022	Sparebox Storage	2777 US 501	Storage fees
9/26/2022	Mailchimp	675 Ponce De Leon Ave NE 5000	Email service fees

10/3/2022	Sparebox Storage	2777 US 501	Storage fees
10/13/2022	SCGOP	1913 Marion St.	Donation
10/17/2022	Libby's Florist, LLC	131 Epps St.	Memorials
11/2/2022	Sparebox Storage	2777 US 501	Storage fees
11/18/2022	Weebly, Inc.	460 Bryant St. 100	Website hosting fees
12/1/2022	Sparebox Storage	2777 US 501	Storage fees
12/21/2022	Candyman Homeless Outreach	2814 Blossom St.	Nonprofit donation