1	FEDERAL ELECTION COMMISSION		
2 3	FIRST GENERAL COUNSEL'S REPORT		
4			
5		MUR 8073	
6		DATE COMPLAINT FILED: 09/28/2022	
7		DATE OF LAST RESPONSE: 12/20/2022	
8 9		DATE OF LAST RESPONSE: 12/20/2022 DATE ACTIVATED: 12/20/2022	
10		DATE ACTIVATED. 12/20/2022	
11		EXPIRATION OF SOL: 01/27/2027-02/17/2027	
12		ELECTION CYCLE: 2022	
13			
14 15	COMPLAINANT:	Campaign Legal Center	
16	RESPONDENTS:	Vista Pacifica Enterprises, Inc.	
17		Stop Socialism in OC and David Satterfield in his	
18		official capacity as treasurer	
19		1	
20	RELEVANT STATUTE		
21	AND REGULATION:	52 U.S.C. § 30119(a)	
22		11 C.F.R. § 115.2	
23	DUEDDA A DEBODEO CHECKED	D' 1 D	
24	INTERNAL REPORTS CHECKED:	Disclosure Reports	
25 26	FEDERAL AGENCIES CHECKED:	None	
27	I. INTRODUCTION		
28	The Complaint alleges that Vista Pacifica Enterprises, Inc. ("Vista Pacifica"), a health		
29	care services company and federal government contractor, made one contribution of \$100,000 to		
30	Stop Socialism in OC and David Satterfield in his official capacity as treasurer ("Stop Socialism		
31	in OC"), an independent-expenditure only political committee ("IEOPC"), in violation of the		
32	Federal Election Campaign Act of 1971, as amended (the "Act"). 1		
33	Vista Pacifica's Response admits that Vista Pacifica was a federal contractor at the time		
34	made the contribution but contends that its	president, Cheryl Jumonville, who authorized the	

Compl. at 1 (Sept. 28, 2022).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 2 of 11

- subject contribution, was unaware of the government contractor prohibition.² Its Response
- 2 further states that, upon learning that the contribution was prohibited, Jumonville directed the
- 3 contribution to be replaced by another \$100,000 contribution from Mira Poly Holdings LLC, an
- 4 entity "that is unrelated to Vista and that does not have any federal contracts," and the original
- 5 contribution from Vista Pacifica was promptly refunded.³
- 6 Stop Socialism in OC's Response states it was unaware that Vista Pacifica held any
- 7 contracts with the federal government at the time the subject contribution was made, and further
- 8 states that Stop Socialism in OC's website displays notices stating that contributors may "not
- 9 [be] a government contractor," and that contributions may not come from contractor treasury
- 10 funds.⁴
- The available information indicates that Vista Pacifica made a \$100,000 contribution to
- 12 Stop Socialism in OC while it was a federal contractor. Accordingly, as explained below, we
- recommend that the Commission find reason to believe Vista Pacifica violated 52 U.S.C.
- § 30119(a) of the Act and enter into pre-probable cause conciliation with Vista Pacifica. In
- addition, we recommend that the Commission take no action against Stop Socialism in OC at this
- time, consistent with the Commission's past handling of recipient committees in recent
- 17 government contractor matters.

Vista Pacifica Resp. at 1 (Dec. 13, 2022).

 $^{^{3}}$ Id

Stop Socialism in OC Resp. at 1-2 (Nov. 18, 2022).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 3 of 11

II. FACTUAL BACKGROUND

- Vista Pacifica is a health care services company that was incorporated in California in
- 3 1988.⁵ According to its website, Vista Pacifica provides care and treatment services to adults at
- 4 two facilities, Vista Pacifica Center and Vista Pacifica Convalescent. 6 Cheryl Jumonville, whose
- 5 sworn affidavit is attached to Vista Pacifica's Response, is Vista Pacifica's sole owner and
- 6 serves as its president.⁷

- On January 27, 2022, Vista Pacifica made a \$100,000 contribution to Stop Socialism in
- 8 OC, an IEOPC. 8 The Complaint alleges that this contribution is prohibited by the Act because
- 9 Vista Pacifica was a federal contractor performing two open federal contracts with the
- Department of Veterans Affairs ("VA") at the time it made the subject contribution: a Basic
- Ordering Agreement and a Delivery Order. Publicly available federal spending data supports
- these assertions; USASpending.gov records show that the Basic Ordering Agreement has a
- period of performance of May 1, 2019 to April 30, 2023, and the Delivery Order had a period of
- performance of January 1, 2022 to March 31, 2022. 10 The Complaint further alleges that Vista
- 15 Pacifica's contribution constituted 80% of Stop Socialism in OC's total fundraising during the
- 16 2022 election cycle. 11 In actuality, a review of Stop Socialism in OC's disclosure reports reveals

⁵ Business Search, CAL. SEC'Y OF STATE, https://bizfileonline.sos.ca.gov/search/business (last visited Mar. 17, 2023).

⁶ About Us, VISTA PACIFICA ENTERPRISES, INC., https://vistapacificaent.com/about-us/ (last visited Mar. 17, 2023).

⁷ *Id.*; Vista Pacifica Resp. at 4.

⁸ Compl. at 2; Stop Socialism in OC, 2022 April Quarterly Report at 6 (Apr. 19, 2022), https://docquery.fec.gov/pdf/466/202204139496087466/202204139496087466.pdf.

⁹ Compl. at 2-3.

Award Profile, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_AWD_36C2622K0275_3600_36C26219G0014_3600 (last visited Mar. 17, 2023). Award Profile, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_IDV_36C26219G0014_3600 (last visited Mar. 17, 2023).

¹¹ Compl. at 3.

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 4 of 11

- that Vista Pacifica's \$100,000 contribution accounts for just under 60% of Stop Socialism in
- 2 OC's receipts for the 2022 election cycle. 12
- Vista Pacifica admits in its Response that it is a current contractor for the VA, admits to
- 4 holding at least one VA contract during January 2022, and admits to making the subject
- 5 contribution of \$100,000.¹³ The Vista Pacifica Response states that the subject contribution was
- authorized by Jumonville, the corporation's president. ¹⁴ In her sworn affidavit, ¹⁵ Jumonville
- attests that after she received notice of the Complaint, she directed the \$100,000 contribution to
- 8 be replaced by a \$100,000 contribution from another entity unrelated to Vista Pacifica, Mira Poly
- 9 Holdings LLC, which was not a federal government contractor, and instructed Stop Socialism in
- OC to refund the subject contribution. 16 Stop Socialism in OC's 2022 Post-General report
- confirms that Mira Poly Holdings LLC contributed \$100,000 to Stop Socialism in OC on
- November 22, 2022, shortly before the IEOPC issued a \$100,000 refund to Vista Pacifica on
- 13 November 28, 2022.¹⁷
- Although Vista Pacifica does not deny that the subject contribution was prohibited, its
- 15 Response advances the following mitigating arguments: (1) that Jumonville does not regularly
- make political contributions and is unfamiliar with federal campaign finance law, including the
- 17 restriction on federal contractor contributions; (2) that Jumonville considered the contribution to

Stop Socialism in OC: Financial Summary 2021-2022, FEC.GOV, https://www.fec.gov/data/committee/C00802009/ (last visited Mar. 17, 2023) (showing that Stop Socialism in OC received \$169,783.27 in total contributions, excluding the contribution from Mira Poly Holdings LLC provided to replace the refunded contribution from Vista Pacifica).

Vista Pacifica Resp. at 1-2; Vista Pacifica Supp. Resp. (Dec. 20, 2022).

Vista Pacifica Resp. at 1.

¹⁵ *Id.* at 4-5.

¹⁶ *Id.* at 1.

¹⁷ Stop Socialism in OC, 2022 Post-General Report at 6, 8 (Dec. 8, 2022), https://docquery.fec.gov/pdf/569/202212089547397569/202212089547397569.pdf.

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 5 of 11

- have been her own political contribution because of her close association with Vista Pacifica; (3)
- 2 that Vista Pacifica's contracts were awarded as a result of competitive bidding, and the subject
- 3 contribution was therefore not intended as part of a quid pro quo arrangement; and (4) that
- 4 federal contracts comprise a relatively small part of Vista Pacifica's revenue, accounting for only
- 5 3.26% of its revenue during the months surrounding the subject contribution. ¹⁸ The Vista
- 6 Pacifica Response provides no information regarding the solicitation of the contribution or any
- 7 communications with Stop Socialism in OC.

In its Response, Stop Socialism in OC states that it was unaware of Vista Pacifica's

9 government contracts, and further states that Stop Socialism in OC "implements controls" to

prevent it from inadvertently soliciting prohibited contributions from federal government

contractors. 19 Stop Socialism in OC's Response states that its website includes language stating

that a contributor may "not [be] a government contractor," and that contributions may not be

"made from the treasury funds of an entity that is a federal contractor," and that the website

further warns "[c]ontributions from . . . federal government contractors are prohibited." Its

Response states that such disclaimers have been recognized by the FEC as sufficient safeguards

against the solicitation of impermissible contributions.²¹ The Response includes an affidavit

sworn by David Ellis, the executive director of Stop Socialism in OC, confirming the facts stated

in the Response.²² Ellis's affidavit indicates that he personally solicited the subject contribution

from Vista Pacifica but reiterates that he received no notice of Vista Pacifica's status as a federal

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Vista Pacifica Resp. at 1-3.

Stop Socialism in OC Resp. at 1.

²⁰ *Id.* at 1-2.

²¹ *Id.* at 2.

²² *Id.* at 3-4.

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 6 of 11

- 1 contractor.²³ The Stop Socialism in OC Response provides no additional information regarding
- the circumstances surrounding the solicitation. Because Stop Socialism in OC asserts that it had
- 3 no actual knowledge of Vista Pacifica's contractor status and because its website included these
- 4 disclaimers, the Response requests that the Commission find no reason to believe that it violated
- 5 the Act. 24

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III. LEGAL ANALYSIS

A. Legal Standard

The Act and the Commission's regulations prohibit contributions to political committees by any person who enters into a contract with the United States or its departments or agencies for "furnishing any material, supplies, or equipment," if payment on such contract "is to be made in whole or in part from funds appropriated by Congress." Such contributions are barred for the period between (1) the earlier of commencement of negotiations or when requests for proposal are sent out, and (2) the later of the completion of performance on or termination of negotiations for the contract. The Act also bars any person from knowingly soliciting a contribution from a federal contractor during the prohibited period. 27

²³ *Id*.

²⁴ *Id.* at 2.

²⁵ 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a).

²⁶ 11 C.F.R. § 115.1(b).

²⁷ 52 U.S.C. § 30119(a)(2).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 7 of 11

B. The Commission Should Find Reason to Believe that Vista Pacifica Violated the Federal Contractor Prohibition.

Vista Pacifica's Response admits that the corporation is a current contractor for the VA, and does not dispute that it held at least one federal contract at the time that it made the subject contribution to Stop Socialism in OC.²⁸

Vista Pacifica requests that the Commission take no further action in this matter based on several mitigating factors, including: that Jumonville was unaware of the prohibition on contributions to federal contractors; that Jumonville considered the subject contribution to be her own contribution; that the subject contribution accounts for a relatively small portion of Vista Pacifica's total revenue; that Vista Pacifica has no plans to renew its current contracts with the VA; and that no evidence has been shown of improper influence or quid pro quo in connection with the subject contribution.²⁹

While some of these mitigating factors might be considered as part of pre-probable cause conciliation, they do not undercut the factual and legal basis for finding that Vista Pacifica violated the Act by making the subject contribution. Specifically, the argument that Jumonville considered the subject contribution to have been her own contribution is unpersuasive. Vista Pacifica's Response does not claim that Jumonville used a personal bank account to make the subject contribution. Rather, the Response appears to argue that, because Jumonville treated corporate treasury funds as her own in making the subject contribution, the contribution should be analyzed not as a government contractor contribution, but as a personal contribution from

Vista Pacifica Supp. Resp.

Vista Pacifica Resp. at 3.

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 8 of 11

- Jumonville. With some exceptions, ³⁰ the Commission analyzes contributions drawn from
- 2 corporate treasury funds as being attributable to the corporation, rather than to the corporation's
- officers or shareholders.³¹ In MUR 7450 (Ashbritt, Inc.) the Commission found reason to
- 4 believe that a government contractor made an impermissible contractor contribution,
- 5 notwithstanding the respondent's argument that the contribution should have been treated as an
- 6 individual contribution from a corporate officer because the contribution was "charged" to the
- officer's "loan/distribution account." Unlike the response in Ashbritt, Vista Pacifica's
- 8 Response does not claim that the subject contribution came from a quasi-personal corporate
- 9 account, so the rationale for displacing the Commission's longstanding analysis is even weaker
- here. The Response's argument that Vista Pacifica was unaware of the government contractor
- prohibition is similarly unpersuasive. The Commission recently found reason to believe that a
- 12 government contractor made a prohibited government contractor contribution despite the
- 13 respondent's claim that it was unaware of the restriction on federal contractor contributions.³³
- Accordingly, Vista Pacifica made a prohibited contribution while serving as a federal
- 15 contractor, and we recommend that the Commission find reason to believe that Vista Pacifica
- violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making a prohibited \$100,000
- 17 contribution to Stop Socialism in OC.

Among these exceptions is the Commission regulation enabling separate segregated funds to accept funds drawn from an individual contributor's "non-repayable corporate drawing account." 11 C.F.R. § 102.6(c)(3).

See, e.g., Factual and Legal Analysis ("F&LA") at 8-9, MUR 3191 (Christmas Farm Inn, Inc.) (available at https://www.fec.gov/files/legal/murs/3191.pdf at 238) ("By choosing to incorporate their business, the Zeliffs converted personal assets into corporate ones. Their ability to benefit from a statute designed to provide protection against double taxation does not change the corporate nature of the enterprise itself or re-convert the corporation's assets into personal ones.").

F&LA at 5-6, MUR 7450 (Ashbritt, Inc.).

F&LA at 4, MUR 8011 (Daniel Defense, LLC).

MUR 8073 (Vista Pacifica Enterprises, Inc., et al.) First General Counsel's Report Page 9 of 11

1 2	C. The Commission Should Take No Action at This Time as to Stop Socialism in OC.
3	Stop Socialism in OC's Response states that it was unaware of Vista Pacifica's status as a

federal contractor and that its solicitation materials were designed to warn prospective donors

about the federal contractor prohibition.³⁴ Consequently, its Response reasons that Stop 5

Socialism in OC did not knowingly solicit a prohibited federal contractor contribution. While 6

7 the record in this matter contains no information inconsistent with the IEOPC's claimed lack of

knowledge regarding Vista Pacifica's status as a federal contractor, it also does not contain any

information regarding the circumstances under which the IEOPC solicited Vista Pacifica. In

other federal contractor matters with a similar lack of information as to the solicitation, the

Commission has voted to take no action at this time as to the recipient committee, while the

Commission enters into pre-probable cause conciliation with the contractor. ³⁵ Accordingly, we

recommend that the Commission take no further action as to Stop Socialism in OC at this time.

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³⁴ Stop Socialism in OC Resp. at 1-2.

E.g., Certification ("Cert.") ¶¶ 2, 3 (Jan. 7, 2022), MUR 7886 (Astellas Pharma U.S., Inc.); Cert. ¶¶ 1, 2 (Aug. 20, 2019), MUR 7568 (Alpha Marine Services Holdings, LLC).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) First General Counsel's Report Page 10 of 11

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5 V. RECOMMENDATIONS

- 6 1. Find reason to believe that Vista Pacifica Enterprises, Inc., violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making a prohibited federal contractor contribution;
- 9 2. Enter into pre-probable cause conciliation with Vista Pacifica Enterprises, Inc., prior to a finding of probable cause to believe;
- Take no action at this time as to Stop Socialism in OC and David Satterfield in his official capacity as treasurer;
- 4. Approve the attached Factual and Legal Analysis;
- 5. Approve the attached proposed Conciliation Agreement; and

MUR 8073 (Vista Pacifica Enterprises, Inc., et al.) First General Counsel's Report Page 11 of 11

Approve the appropriate letters. 6. 1

2		Lisa J. Stevenson
3		Acting General Counsel
4		Charles Kitcher
5		Associate General Counsel for Enforcement
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8	March 20, 2023	Jin Lee
9	<u> </u>	
10	Date	Jm Lee Denvity Associate Commel Covered for Enforcement
11 12		Deputy Associate General Counsel for Enforcement
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14		
15		Mark Shonkwiler by JL Mark Shonkwiler
16		Mark Shonkwiler
17		Assistant General Counsel
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20		112
21		400
22		Jacob Tułły
23		Attorney
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Attachments: 25

- Factual and Legal Analysis for Vista Pacifica Enterprises, Inc. Conciliation Agreement for Vista Pacifica Enterprises, Inc. 1.
- 2. 27

FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS

Respondent: Vista Pacifica Enterprises, Inc.

MUR 8073

I. INTRODUCTION

This matter was generated by a Complaint alleging that Vista Pacifica Enterprises, Inc. ("Vista Pacifica"), a health care services company and federal government contractor, made one contribution of \$100,000 to Stop Socialism in OC and David Satterfield in his official capacity as treasurer ("Stop Socialism in OC"), an independent-expenditure only political committee ("IEOPC"), in violation of the Federal Election Campaign Act of 1971, as amended (the "Act").

Vista Pacifica's Response admits that Vista Pacifica was a federal contractor at the time it made the contribution but contends that its president, Cheryl Jumonville, who authorized the subject contribution, was unaware of the government contractor prohibition.² Its Response further states that, upon learning that the contribution was prohibited, Jumonville directed the contribution to be replaced by another \$100,000 contribution from Mira Poly Holdings LLC, an entity "that is unrelated to Vista and that does not have any federal contracts," and the original contribution from Vista Pacifica was promptly refunded.³

The available information indicates that Vista Pacifica made a \$100,000 contribution to Stop Socialism in OC while it was a federal contractor. Accordingly, the Commission finds reason to believe that Vista Pacifica violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making a prohibited government contractor contribution.

¹ Compl. at 1 (Sept. 28, 2022).

Vista Pacifica Resp. at 1 (Dec. 13, 2022).

Id.

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) Factual & Legal Analysis Page 2 of 6

II. FACTUAL BACKGROUND

- Vista Pacifica is a health care services company that was incorporated in California in
- 3 1988.⁴ According to its website, Vista Pacifica provides care and treatment services to adults at
- 4 two facilities, Vista Pacifica Center and Vista Pacifica Convalescent.⁵ Cheryl Jumonville, whose
- 5 sworn affidavit is attached to Vista Pacifica's Response, is Vista Pacifica's sole owner and
- 6 serves as its president.⁶

- On January 27, 2022, Vista Pacifica made a \$100,000 contribution to Stop Socialism in
- 8 OC, an IEOPC. The Complaint alleges that this contribution is prohibited by the Act because
- 9 Vista Pacifica was a federal contractor performing two open federal contracts with the
- Department of Veterans Affairs ("VA") at the time it made the subject contribution: a Basic
- Ordering Agreement and a Delivery Order. Publicly available federal spending data supports
- these assertions; USASpending.gov records show that the Basic Ordering Agreement has a
- period of performance of May 1, 2019 to April 30, 2023, and the Delivery Order had a period of
- performance of January 1, 2022 to March 31, 2022. The Complaint further alleges that Vista
- 15 Pacifica's contribution constituted 80% of Stop Socialism in OC's total fundraising during the

⁴ Business Search, CAL. SEC'Y OF STATE, https://bizfileonline.sos.ca.gov/search/business (last visited Mar. 17, 2023).

⁵ About Us, VISTA PACIFICA ENTERPRISES, INC., https://vistapacificaent.com/about-us/ (last visited Mar. 17, 2023).

⁶ *Id.*; Vista Pacifica Resp. at 4.

⁷ Compl. at 2; Stop Socialism in OC, 2022 April Quarterly Report at 6 (Apr. 19, 2022), https://docquery.fec.gov/pdf/466/202204139496087466/202204139496087466.pdf.

⁸ Compl. at 2-3.

Award Profile, USASPENDING.GOV, https://www.usaspending.gov/award/CONT_AWD_36C26222K0275
3600_36C26219G0014_3600 (last visited Mar. 17, 2023); https://www.usaspending.gov/award/CONT_IDV_36C26219G0014_3600 (last visited Mar. 17, 2023).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) Factual & Legal Analysis Page 3 of 6

- 2022 election cycle. ¹⁰ In actuality, a review of Stop Socialism in OC's disclosure reports reveals
- 2 that Vista Pacifica's \$100,000 contribution accounts for just under 60% of Stop Socialism in
- 3 OC's receipts for the 2022 election cycle. 11
- 4 Vista Pacifica admits in its Response that it is a current contractor for the VA, admits to
- 5 holding at least one VA contract during January 2022, and admits to making the subject
- 6 contribution of \$100,000. 12 The Vista Pacifica Response states that the subject contribution was
- authorized by Jumonville, the corporation's president. ¹³ In her sworn affidavit, ¹⁴ Jumonville
- 8 attests that after she received notice of the Complaint, she directed the \$100,000 contribution to
- be replaced by a \$100,000 contribution from another entity unrelated to Vista Pacifica, Mira Poly
- Holdings LLC, which was not a federal government contractor, and instructed Stop Socialism in
- OC to refund the subject contribution. 15 Stop Socialism in OC's 2022 Post-General report
- confirms that Mira Poly Holdings LLC contributed \$100,000 to Stop Socialism in OC on
- November 22, 2022, shortly before the IEOPC issued a \$100,000 refund to Vista Pacifica on
- November 28, 2022.¹⁶
- 15 Although Vista Pacifica does not deny that the subject contribution was prohibited, its
- 16 Response advances the following mitigating arguments: (1) that Jumonville does not regularly

Compl. at 3.

Stop Socialism in OC: Financial Summary 2021-2022, FEC.GOV, https://www.fec.gov/data/committee/C00802009/ (last visited Mar. 17, 2023) (showing that Stop Socialism in OC received \$169,783.27 in total contributions, excluding the contribution from Mira Poly Holdings LLC provided to replace the refunded contribution from Vista Pacifica).

Vista Pacifica Resp. at 1-2; Vista Pacifica Supp. Resp. (Dec. 20, 2022).

Vista Pacifica Resp. at 1.

¹⁴ *Id.* at 4-5.

¹⁵ *Id.* at 1.

Stop Socialism in OC, 2022 Post-General Report at 6, 8 (Dec. 8, 2022), https://docquery.fec.gov/pdf/569/202212089547397569.pdf.

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) Factual & Legal Analysis Page 4 of 6

- make political contributions and is unfamiliar with federal campaign finance law, including the
- 2 restriction on federal contractor contributions; (2) that Jumonville considered the contribution to
- have been her own political contribution because of her close association with Vista Pacifica; (3)
- 4 that Vista Pacifica's contracts were awarded as a result of competitive bidding, and the subject
- 5 contribution was therefore not intended as part of a quid pro quo arrangement; and (4) that
- 6 federal contracts comprise a relatively small part of Vista Pacifica's revenue, accounting for only
- 7 3.26% of its revenue during the months surrounding the subject contribution. ¹⁷ The Vista
- 8 Pacifica Response provides no information regarding the solicitation of the contribution or any
- 9 communications with Stop Socialism in OC.

III. LEGAL ANALYSIS

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The Act and the Commission's regulations prohibit contributions to political committees by any person who enters into a contract with the United States or its departments or agencies for "furnishing any material, supplies, or equipment," if payment on such contract "is to be made in whole or in part from funds appropriated by Congress." Such contributions are barred for the period between (1) the earlier of commencement of negotiations or when requests for proposal are sent out, and (2) the later of the completion of performance on or termination of negotiations for the contract. The Act also bars any person from knowingly soliciting a contribution from a federal contractor during the prohibited period. 20

Vista Pacifica Resp. at 1-3.

¹⁸ 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2(a).

¹⁹ 11 C.F.R. § 115.1(b).

²⁰ 52 U.S.C. § 30119(a)(2).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) Factual & Legal Analysis Page 5 of 6

Vista Pacifica's Response admits that the corporation is a current contractor for the VA, and does not dispute that it held at least one federal contract at the time that it made the subject contribution to Stop Socialism in OC.²¹

Vista Pacifica requests that the Commission take no further action in this matter based on several mitigating factors, including: that Jumonville was unaware of the prohibition on contributions to federal contractors; that Jumonville considered the subject contribution to be her own contribution; that the subject contribution accounts for a relatively small portion of Vista Pacifica's total revenue; that Vista Pacifica has no plans to renew its current contracts with the VA; and that no evidence has been shown of improper influence or quid pro quo in connection with the subject contribution.²²

These arguments do not undercut the factual and legal basis for finding that Vista Pacifica violated the Act by making the subject contribution. Specifically, the argument that Jumonville considered the subject contribution to have been her own contribution is unpersuasive. Vista Pacifica's Response does not claim that Jumonville used a personal bank account to make the subject contribution. Rather, the Response appears to argue that, because Jumonville treated corporate treasury funds as her own in making the subject contribution, the contribution should be analyzed not as a government contractor contribution, but as a personal contribution from Jumonville. With some exceptions, ²³ the Commission analyzes contributions drawn from corporate treasury funds as being attributable to the corporation, rather than to the

Vista Pacifica Supp. Resp.

Vista Pacifica Resp. at 3.

Among these exceptions is the Commission regulation enabling separate segregated funds to accept funds drawn from an individual contributor's "non-repayable corporate drawing account." 11 C.F.R. § 102.6(c)(3).

MUR 8073 (Vista Pacifica Enterprises, Inc., *et al.*) Factual & Legal Analysis Page 6 of 6

- 1 corporation's officers or shareholders.²⁴ In MUR 7450 (Ashbritt, Inc.) the Commission found
- 2 reason to believe that a government contractor made an impermissible contractor contribution,
- 3 notwithstanding the respondent's argument that the contribution should have been treated as an
- 4 individual contribution from a corporate officer because the contribution was "charged" to the
- officer's "loan/distribution account." Unlike the response in Ashbritt, Vista Pacifica's
- 6 Response does not claim that the subject contribution came from a quasi-personal corporate
- account, so the rationale for displacing the Commission's longstanding analysis is even weaker
- 8 here. The Response's argument that Vista Pacifica was unaware of the government contractor
- 9 prohibition is similarly unpersuasive. The Commission recently found reason to believe that a
- 10 government contractor made a prohibited government contractor contribution despite the
- respondent's claim that it was unaware of the restriction on federal contractor contributions.²⁶
- Accordingly, the Commission finds reason to believe that Vista Pacifica violated
 - 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2(a) by making a prohibited contribution of \$100,000
- to Stop Socialism in OC.

See, e.g., Factual and Legal Analysis ("F&LA") at 8-9, MUR 3191 (Christmas Farm Inn, Inc.) (available at https://www.fec.gov/files/legal/murs/3191.pdf at 238) ("By choosing to incorporate their business, the Zeliffs converted personal assets into corporate ones. Their ability to benefit from a statute designed to provide protection against double taxation does not change the corporate nature of the enterprise itself or re-convert the corporation's assets into personal ones.").

²⁵ F&LA at 5-6, MUR 7450 (Ashbritt, Inc.).

F&LA at 4, MUR 8011 (Daniel Defense, LLC).