

April 11, 2024

**VIA EMAIL** 

Christopher M. Marston 2652 Group LLC P.O. Box 26141 Alexandria, VA 22313 chris@2652group.com

RE: MUR 8091 (Beth Harwell, et al.)

## Dear Mr. Marston:

On March 12, 2024, the Federal Election Commission (the "Commission") accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 52 U.S.C. § 30125(e)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Accordingly, the file has been closed in this matter, effective today.

Documents related to the case will be placed on the public record today. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1362.

Sincerely,

Christopher S. Curran

Christopher S. Curran

Attorney

## BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of	)	
	)	
Beth Harwell	)	MUR 8091
Beth Harwell (House 18)	)	
Tennesseans for Good State	)	
Government	)	

## **CONCILIATION AGREEMENT**

The Commission found reason to believe that Beth Harwell, Beth Harwell (House 18) (the "State Committee"), and Tennesseans for Good State Government (the "State PAC") (collectively "Respondents"), violated 52 U.S.C. § 30125(e)(1)(A) by transferring funds that were not subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971, as amended (the "Act") in connection with an election to Federal office.

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

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
  - III. Respondents enter voluntarily into this agreement with the Commission.
  - IV. The pertinent facts in this matter are as follows:
    - 1. Beth Harwell is a former member of the Tennessee House of Representatives.

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- 2. Harwell established the State Committee in January 2017 and Harwell maintains the authority or ability to direct or participate in the governance of the State Committee and has the authority to hire, appoint, demote, or otherwise control the officers of the State Committee.
- 3. Harwell established the State PAC in September 2006 and Harwell maintains the authority or ability to direct or participate in the governance of the State Committee and has the authority to hire, appoint, demote, or otherwise control the officers of the State Committee.
- 4. The State Committee and State PAC received contributions that were not subject to the limitations, prohibitions, and reporting requirements of the Act.
- 5. On February 24, 2022, Beth Harwell filed a Statement of Candidacy to run for Tennessee's newly-drawn 5th Congressional District and became a federal candidate.
- 6. On July 22, 2022, the State Committee contributed \$35,000 to the independent expenditure-only political committee Government of the People.
- 7. On July 22, 2022, the State PAC contributed \$12,000 to Government of the People.
- 8. On July 28, 2022, Government of the People spent \$90,084 on independent expenditures either supporting Harwell or opposing her Republican primary election opponent Andy Ogles.
- 9. On August 2, 2022 and August 4, 2022, Government of the People made additional independent expenditures of \$19,475 and \$3,580, again in support of Harwell or opposing Ogles. Government of the People did not make any more independent expenditures that election cycle.

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- 10. The State Committee's and State PAC's combined contributions amounted to 60.8% of Government of the People's receipts at the time they were made.
- 11. The State Committee's and State PAC's combined contributions represent Government of the People's largest contributions.
- 12. The Act prohibits federal candidates and officeholders, their agents and entities directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding office from receiving or spending funds in connection with an election for Federal office unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Act. 52 U.S.C. § 30125(e)(1)(A).
- 13. To determine whether a sponsor directly or indirectly established, finances, maintains, or controls an entity, the factors described in 11 C.F.R. § 300(c)(2)(i) through (x) are examined in the context of the overall relationship between the sponsor and the entity. 11 C.F.R. § 300.2(c)(2).
- 14. The State Committee and State PAC were entities established, financed, maintained, or controlled by Harwell, a federal candidate, and acted on her behalf.
- 15. Respondents contend that Harwell was not personally involved in the decision by the State Committee and the State PAC to contribute to Government of the People.
- V. Respondents violated 52 U.S.C. § 30125(e)(1)(A) by transferring a total of \$47,000 to Government of the People in connection with an election for Federal office that were not subject to the limitations, prohibitions, and reporting requirements of the Act.
  - VI. Respondents will take the following actions:
- 1. Respondents will pay a combined civil penalty to the Commission in the amount of Sixteen Thousand (\$16,000), pursuant to 52 U.S.C. § 30109(a)(5)(A).

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- 2. Respondents will cease and desist from committing violations of 52 U.S.C. § 30125(e)(1)(A).
- VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.
- VIII. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.
- IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.
- X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or

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oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

## FOR THE COMMISSION:

Lisa J. Stevenson

BY:

Acting General Counsel

Charles Kitcher

Digitally signed by Charles Kitcher Date: 2024.03.14 14:02:30 -04'00'

Charles Kitcher

Associate General Counsel

for Enforcement

Date

FOR THE RESPONDENT:

DocuSigned by: Chap M. last

-73B6979CD0864E7... (Name) Christopher M Marston

(Position)

Counsel

2/22/2024

Date