



FEDERAL ELECTION COMMISSION
Washington, DC

November 29, 2024

VIA ELECTRONIC MAIL

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Charles Spies, Esq.
 Elizabeth Lilenthal, Esq.
 Dickinson Wright PLLC
 1825 Eye Street NW
 Suite 900
 Washington, DC 20006

RE: MUR 8195

John James for Senate, Inc. and
 Bradley T. Crate in his official
 capacity as treasurer

Dear Mr. Spies and Ms. Lilenthal:

On October 30, 2024, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting excessive contributions and a violation of 52 U.S.C. § 30118(a) and 11 C.F.R. §114.2(d) by knowingly accepting prohibited corporate contributions, provisions of the Federal Election Campaign Act of 1971, as amended, and Commission regulations. 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. Payment can be made online by debit, credit card, or automated clearing house (ACH) withdrawal, using this link to the government's secure portal for online collections: <https://www.pay.gov/public/form/start/316805379>. Payment can also be made by check or money order payable to the Federal Election Commission and sent via regular mail to the Federal Election Commission, 1050 First Street NE, Washington, DC 20463, or by courier or overnight

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delivery to the same address but with a different zip code (20002). Please write the matter number “MUR 8195 civil penalty” on the memo line of the check. If you have any questions, please contact me at csoupios@fec.gov or (202) 251-3381.

Sincerely,

Constantine Soupios
Constantine V. Soupios
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
) MUR 8195
John James for Senate, Inc.)
and Bradley T. Crate in his official)
capacity as treasurer)
)

CONCILIATION AGREEMENT

This matter was initiated pursuant to information ascertained by the Federal Election Commission (the “Commission”) in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that John James for Senate, Inc. and Bradley T. Crate in his official capacity as treasurer (“Respondent” or the “Committee”) violated 52 U.S.C. §§ 30116(f) and 30118(a) of the Federal Election Campaign Act of 1971, as amended (the “Act”), and 11 C.F.R. §§ 110.9 and 114.2(d) of the Commission’s regulations.

NOW, THEREFORE, the Commission and Respondent, 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 Respondent 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. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this Agreement with the Commission.

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

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1. John James for Senate, Inc. is a political committee within the meaning of 52 U.S.C. § 30101(4)(A).

2. During the 2020 election cycle for the U.S. Senate in Michigan, John James for Senate Inc. was affiliated with candidate John James and was his principal campaign committee. During this same period, Bradley T. Crate was its treasurer.

3. During the 2020 election cycle, an authorized committee could not accept more than \$2,800 per election from individuals. 52 U.S.C. §§ 30116(a)(1)(A), (f); 11 C.F.R. §§ 110.9, 110.1(a)-(b); *see Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold*, 84 Fed. Reg. 2504, 2506 (Feb. 7, 2019).

4. Contributions which either exceed the \$2,800 limit on their face or in the aggregate may be deposited or returned to the contributor. 11 C.F.R. § 103.3(b)(3). If the excessive contribution is deposited, the treasurer may request redesignation or reattribution of the contribution. *Id.* If a redesignation or reattribution is not obtained, the treasurer must refund the contribution to the contributor within 60 days of receipt. *Id.*

5. The Act also prohibits corporations from making contributions to federal candidates, and likewise bars candidates and political committees (other than independent expenditure-only political committees and committees with hybrid accounts) from knowingly accepting or receiving corporate contributions. 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b), (d). A committee's treasurer is responsible for examining all contributions received for evidence of illegality and for ascertaining whether contributions received, when aggregated with other contributions from the same contributor, exceed the Act's contribution limits. 11 C.F.R. § 103.3(b). Contributions that present genuine questions as to whether they were made by a

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corporation may, within ten days of receipt, be either deposited or refunded. *Id.* § 103.3(b)(1).

If deposited, the treasurer must make their best efforts to determine the legality of the contribution. *Id.* If the legality of the contribution cannot be determined, the treasurer shall, within 30 days, refund the contribution. *Id.*

6. The Committee received \$578,306.72 in excessive contributions and \$9,100.00 in prohibited corporate contributions across five disclosure reports: the 2020 April Quarterly, 2020 July Quarterly, 2020 October Quarterly, 2020 12-Day Pre-General, and 2020 30-Day Post-General Reports. All of these contributions were refunded in 2020 or 2021.

7. The Committee refunded the \$578,306.72 in excessive contributions that it received between 76 and 1,293 days after receipt, which was beyond the 60-day period set forth in the regulations applicable to excessive contributions, and refunded \$9,100.00 in corporate contributions that it received between 62 and 242 days after receipt, which was beyond the 30-day period set forth in the regulations applicable to prohibited corporate contributions.

V. The parties agree to following:

1. Respondent violated 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting excessive contributions totaling \$578,306.72.

2. Respondent violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(d) by knowingly accepting prohibited corporate contributions totaling \$9,100.00.

VI. Respondent will take the following actions:

1. Respondent will pay a civil penalty to the Commission in the amount of Ninety Five Thousand Dollars (\$95,000), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from committing violations of 52 U.S.C. §§ 30116(f) and 30118(a) and 11 C.F.R. §§ 110.9 and 114.2(d).

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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. Respondent 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 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
Acting General Counsel

Date

FOR THE RESPONDENT:



Charles R. Spies
Counsel to John James for Senate, Inc.

Date

10/11/24