

May 1, 2025

# BY ELECTRONIC MAIL ONLY

mkmccoy@venable.com Meredith K. McCoy, Esq. 600 Massachusetts Ave., NW Washington, DC 20001

RE: MUR 8206

We Deserve Better Inc. and Justin Phillips in his official capacity as

treasurer

Dear Ms. McCoy:

On February 5, 2024, the Federal Election Commission notified your clients, We Deserve Better Inc. and Justin Phillips in his official capacity as treasurer of a Complaint indicating violations of the Federal Election Campaign Act of 1971, as amended. A copy of the Complaint was forwarded to your client at that time.

The Commission considered the Complaint, and on the basis of the information provided by the Complaint and in your Response, voted to dismiss the allegations that (1) We Deserve Better, Inc. and Justin Phillips in his official capacity as treasurer violated 52 U.S.C. §§ 30104(b), 30116(a), and 30118(a) by making unreported prohibited and excessive in-kind contributions to Dean 24, Inc. and Dean Phillips and (2) We Deserve Better, Inc. and Justin Phillips in his official capacity as treasurer violated 52 U.S.C. §§ 30116(f) and 30118(a) by receiving excessive and prohibited contributions. Accordingly, on March 27, 2025, the Commission voted to close the file effective May 1, 2025.

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). Any applicable Factual and Legal Analysis or Statements of Reasons available at the time of this letter's transmittal are enclosed.

If you have any questions, please contact Rachel Coll, the attorney assigned to this matter, at (202) 694-1650.

Sincerely

Ana J. Peña-Wallace

Assistant General Counsel

#### FEDERAL ELECTION COMMISSION

FAC	CTUAL	AND LI	EGAL A	NALYSIS
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3	<b>RESPONDENTS</b> :	Dean Phillips	MUR 8206
4		Dean 24, Inc. and Andrew Minck in his official	
5		capacity as treasurer <sup>1</sup>	
6		We Deserve Better, Inc., and Justin Phillips in his	
7		official capacity as treasurer	
8			

## I. INTRODUCTION

This matter arises from a Complaint alleging that We Deserve Better, Inc., an independent expenditure-only political committee ("IEOPC") and Justin Phillips in his official capacity as treasurer, coordinated television advertising with Dean Phillips and his principal campaign committee Dean 24, Inc. and Andrew Minck in his official capacity as treasurer, constituting unreported and illegal in-kind contributions by We Deserve Better, in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"). The Complaint alleges that by making prohibited contributions to Phillips and Dean 24, We Deserve Better "is contravening the 'independence' required to accept unlimited contributions and contributions from corporations" and therefore "is *not* a political committee that only makes independent expenditures, and remains subject to FECA's contribution limits and the prohibition on corporate contributions." The Respondents deny violating the Act, asserting that the Complaint is speculative and insufficient to establish reason to believe a violation of the Act took place.

At the time the Complaint was filed, Donald Kuster was the Dean 24 treasurer. Dean 24 Amended Statement of Organization (Jan. 5, 2024), <a href="https://docquery.fec.gov/pdf/143/202401059599978143/2024010595">https://docquery.fec.gov/pdf/143/202401059599978143/2024010595</a>
99978143.pdf. At the time of the activity that is the subject of the Complaint, the treasurer was Colin Smith. Dean 24 Statement of Organization (Oct. 26, 2023), <a href="https://docquery.fec.gov/pdf/702/202310269598860702/202310269598860702.pdf">https://docquery.fec.gov/pdf/188/202401179600096188/202401179600096188.pdf</a>. The current treasurer is Andrew Minck. Dean 24 Second Amended Statement of Organization (Jan. 17, 2024), <a href="https://docquery.fec.gov/pdf/188/202401179600096188/202401179600096188.pdf">https://docquery.fec.gov/pdf/188/202401179600096188/202401179600096188.pdf</a>.

<sup>&</sup>lt;sup>2</sup> Compl. ¶¶ 3, 46, 49-50 (emphasis in original) (Jan. 29, 2024).

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- 1 As set forth below, because the communications by We Deserve Better do not appear to 2 meet the conduct prong of the Commission's coordinated communications test, the Commission 3 dismisses the allegations that We Deserve Better violated 52 U.S.C. §§ 30104(b), 30116(a), (f), 4 and 30118(a), that Dean 24 violated 52 U.S.C. §§ 30104(b), 30116(f), and 30118(a), and that 5 Dean Phillips violated 52 U.S.C. § 30116(f) and 30118(a). 6 II. FACTUAL BACKGROUND 7 Dean Phillips was the Representative for Minnesota's Third Congressional District who 8 campaigned for the 2024 Democratic presidential nomination, which he suspended on
- 9 March 6, 2024. Dean 24, Inc. is the principal campaign committee of Dean Phillips's
- 10 presidential campaign, and its treasurer is Andrew Minck.<sup>4</sup> We Deserve Better, Inc. is an IEOPC
- and its treasurer is Justin Phillips.<sup>5</sup>
- Dean 24 committee registered with the Commission on October 26, 2023.<sup>6</sup> Dean 24
- reported \$7,670,314.82 in receipts and disclosed \$7,618,665.48 in disbursements on, *inter alia*,
- 14 advertising, media, consulting (political, digital, media, campaign, and communications), travel,

<sup>&</sup>lt;sup>3</sup> See Dean Phillips, Statement of Candidacy at 1 (Oct. 6, 2023) <a href="https://docquery.fec.gov/cgi-bin/forms/P40016131/1733727/">https://docquery.fec.gov/cgi-bin/forms/P40016131/1733727/</a>; see also ASSOCIATED PRESS, Minnesota Rep. Dean Phillips ends Democratic primary challenge and endorses President Joe Biden (Mar. 6, 2024), <a href="https://apnews.com/article/dean-phillips-drops-out-democrat-presidential nominationf7e18729abe9b2a9502d93cb616b9af0">https://apnews.com/article/dean-phillips-drops-out-democrat-presidential nominationf7e18729abe9b2a9502d93cb616b9af0</a>.

See supra note 1.

We Deserve Better, Amended Statement of Organization (Jan. 10, 2024), <a href="https://docquery.fec.gov/pdf/914/202401109600011914/202401109600011914.pdf">https://docquery.fec.gov/pdf/914/202401109600011914.pdf</a>. The available information does not indicate whether Justin Phillips is related to Dean Phillips.

<sup>&</sup>lt;sup>6</sup> Dean 24, Inc., Statement of Organization at 2 (Oct. 26, 2023), <a href="https://docquery.fec.gov/pdf/702/202310269">https://docquery.fec.gov/pdf/702/202310269</a> 598860702/202310269598860702.pdf.

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- 1 yard signs and payroll, in the 2024 election cycle. According to the Rolling Stone article cited
- 2 in the Complaint, Matt and Scott Krisiloff were members of the Phillips campaign's leadership
- 3 group, conducted focus groups about Phillips with New Hampshire voters, and marked up at
- 4 least one internal Phillips campaign polling memorandum with their opinions on polling
- 5 mechanics and their messaging ideas and considerations of campaign slogans including "We
- 6 Deserve Better." The same press article reported that both Krisiloff brothers were members of
- 7 the Phillips campaign's leadership group on the encrypted messaging application Signal. 9 It was
- 8 further reported that on November 21, 2023, both brothers abruptly removed themselves from
- 9 the Dean 24 Signal group, and formed We Deserve Better one day later. 10 Rolling Stone
- 10 reported that the Philips campaign and the Krisiloffs denied any prohibited coordination between
- "these former volunteers and the campaign." 11
- We Deserve Better filed its Statement of Organization with the Commission on
- December 1, 2023. 12 We Deserve Better disclosed a total of \$2,905,066.39 in independent

Dean 24, Inc.: Financial Summary, FEC.GOV, <a href="https://www.fec.gov/data/committee/C00854778/">https://www.fec.gov/data/committee/C00854778/</a> (last visited Mar. 26, 2025); see also FEC Disbursements: Filtered Results, FEC.GOV, <a href="https://www.fec.gov/data/disbursements/?">https://www.fec.gov/data/disbursements/?</a>

data type=processed&committee id=C00854778&two year transaction period=2024&two year transaction period=2022&min\_date=01%2F01%2F2023&max\_date=12%2F31%2F2024 (last visited Mar. 26, 2025) (Dean 24, Inc. Disbursements) The Commission notes that none of the payroll spending disbursements went to Matt or Scott Krisiloff.

Tessa Stuart, *Did These 'Tech Bros' Break the Law Backing Biden's Rival?*, ROLLING STONE (Jan. 18, 2024), <a href="https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/">https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/</a>.

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> *Id*.

<sup>&</sup>lt;sup>11</sup> *Id*.

We Deserve Better, Original Statement of Organization (Dec. 1, 2023) <a href="https://docquery.fec.gov/pdf/545/202312019599369545/202312019599369545.pdf">https://docquery.fec.gov/pdf/545/202312019599369545.pdf</a>.

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- 1 expenditures in support of Phillips, from December 2023 through March 2024. 13 Phillips was
- 2 the only candidate supported by We Deserve Better; and it did not disclose any contributions to
- 3 any candidates or political committees. 14 On December 26, 2023, We Deserve Better aired the
- 4 America Is Not Affordable ad, displaying the phrase "Medicare for All." This ad ran six days
- 5 after Phillips publicly announced his support for H.R. 3421, Medicare for All. 16
- The Complaint was filed shortly before We Deserve Better filed the 2023 Year End
- Report, its first, and alleges that We Deserve Better reportedly accepted a \$1 million pledge, that
- 8 "just 17 donors provided all of Better PAC's launch money," and that its first disclosure report
- 9 will "almost certainly" show additional high dollar contributions and may show corporate
- 10 contributions.<sup>17</sup> The Complaint alleges that after serving as advisors to Phillips's 2024
- presidential campaign, Matt and Scott Krisiloff organized We Deserve Better, which has spent
- over \$3 million supporting Phillips's candidacy. 18
- 13 The Complaint alleges that "at least some" of We Deserve Better's ads utilize messaging
- 14 tested by the campaign "and even the super PAC's name" suggests that the Krisiloffs used
- detailed knowledge of the campaign's private information and strategic plans to inform We

We Deserve Better, Inc.: Financial Summary, FEC.GOV, https://www.fec.gov/data/committee/C00858779/?tab=summary (last visited Mar. 26, 2025).

See id.; FEC Independent Expenditures: Filtered Results, FEC.GoV, <a href="https://www.fec.gov/data/independent-expenditures/?q\_spender%E2%80%8C=C00858779&data\_type=processed&q\_spender=We+Deserve+Better&is\_notice=true&most\_recent=true">https://www.fec.gov/data/independent-expenditures/?q\_spender%E2%80%8C=C00858779&data\_type=processed&q\_spender=We+Deserve+Better&is\_notice=true&most\_recent=true</a> (last visited Mar. 26, 2025) (We Deserve Better Independent Expenditures).

See We Deserve Better, America Is Not Affordable, YOUTUBE (Dec. 26, 2023), <a href="https://www.youtube.com/watch?v=2P7gznSX050">https://www.youtube.com/watch?v=2P7gznSX050</a>.

Press Release, Phillips Backs Medicare for All (Dec. 20, 2023), <a href="https://phillips.house.gov/news/documents.house.

<sup>17</sup> Compl. ¶ 9.

*Id.* ¶¶ 1, 38.

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- 1 Deserve Better's activity. 19 Specifically, the Complaint alleges that the use of the phrase
- 2 "Medicare for All" in the ad is evidence of coordination between Dean 24 and We Deserve
- 3 Better, since the Krisiloff brothers made edits to a memorandum about messaging ideas,
- 4 including "We Deserve Better" and "Medicare for All." The Complaint relies on the *Rolling*
- 5 Stone article, which states that the Krisiloffs, after leaving their roles with Dean 24, could have
- 6 taken information from Dean 24 to We Deserve Better and used this information to inform
- 7 expenditures by the IEOPC.<sup>21</sup>
- 8 The We Deserve Better Response states that the Complaint is speculative, does not
- 9 identify any nonpublic information on which We Deserve Better relied, and notes that the phrase
- 10 "Medicare for All" has been ubiquitous in political discourse for more than a decade and
- 11 Phillips's support for Medicare for All was already publicized through the campaign's website
- prior to the dissemination of the ad.<sup>22</sup> The Response states that the Krisiloffs briefly volunteered
- for the campaign, but neither had a formal title.<sup>23</sup> The Response denies that "We Deserve

<sup>&</sup>lt;sup>19</sup> *Id.* ¶ 39.

Id.; Tessa Stuart, *Did These 'Tech Bros' Break the Law Backing Biden's Rival?*, ROLLING STONE (Jan. 18, 2024), <a href="https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/">https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/</a>.

Tessa Stuart, *Did These 'Tech Bros' Break the Law Backing Biden's Rival?*, ROLLING STONE (Jan. 18, 2024), <a href="https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/">https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/</a>. The article states that in a separate email, Matt Krisiloff said he and his brother "were unpaid volunteers to the campaign without any formal association, and we have neither coordinated nor used any non-public information in super PAC activities." The article also mentions a group called We Deserve Better Action, that has reportedly spent hundreds of thousands of dollars on ads that boost voter turnout in New Hampshire without mentioning Phillips. Matt Krisiloff reportedly stated that We Deserve Better Action is a separate 501(c)(3) organization which has a mission of educating voters about increasing voter turnout. We Deserve Better did not disclose the receipt of any contributions from We Deserve Better Action and the latter did not disclose making any independent expenditures in support of Phillips or any other candidate. *See FEC Independent Expenditures: Filtered Results*, FEC.GOV, <a href="https://www.fec.gov/data/independent-expenditures/?data\_type=processed&most\_recent=true&q\_spender=We+Deserve+Better+Action&is\_notice=true">https://www.fec.gov/data/independent-expenditures/?data\_type=processed&most\_recent=true&q\_spender=We+Deserve+Better+Action&is\_notice=true</a> (last visited Mar. 26, 2025) (showing no results for We Deserve Better Action independent expenditures).

We Deserve Better Resp. at 1, 5.

Id. At 2; see supra note 7.

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- 1 Better" was pulled directly from campaign polling information, but rather, has been employed
- 2 for decades to express dissatisfaction with the status quo.<sup>24</sup> The We Deserve Better Response
- 3 includes declarations from both Matt and Scott Krisiloff, who both state that they "volunteered
- 4 [their] technology expertise" to Dean 24 and stopped volunteering for the campaign in
- 5 November 2023.<sup>25</sup> Both deny the use of nonpublic material information obtained from the
- 6 Dean 24 campaign. 26 Matt Krisiloff states that he "decided to launch" We Deserve Better, and
- 7 Scott Krisiloff states that he "served as a director" of We Deserve Better.<sup>27</sup> Both also note that
- 8 "prior to making any expenditures, [We Deserve Better] conducted several of its own focus
- 9 groups to inform Committee communications strategies and later conducted its own polling."<sup>28</sup>
- 10 The Phillips and Dean 24 Response makes similar arguments, stating that the Complaint is
- speculative, that it fails to identify any nonpublic information relied on by We Deserve Better,
- and that the use of the phrase "Medicare for All" is ubiquitous in political discourse.<sup>29</sup>
- Finally, both Responses argue that the presence of a common theme in communications
- made by a campaign and a third party does not give rise to a finding that the entities engaged in
- 15 coordination.<sup>30</sup>

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### III. LEGAL ANALYSIS

17 The Act treats expenditures made "in cooperation, consultation, or concert, with or at the

request or suggestion of, a candidate, his [or her] authorized political committees, or their

We Deserve Better Resp. at 1, 5.

<sup>25</sup> Id. at 2, Attachs. A and B ¶¶ 2-3 (Declarations of Matt Krisiloff and Scott Krisiloff); see 28 U.S.C. § 1746.

We Deserve Better Resp. at 2, Attachs. A and B ¶¶ 4-5 (Declarations of Matt Krisiloff and Scott Krisiloff).

We Deserve Better Resp., Attachs. A and B ¶¶ 3-5 (Declarations of Matt Krisiloff and Scott Krisiloff).

We Deserve Better Resp., Attachs. A and B ¶4 (Declarations of Matt Krisiloff and Scott Krisiloff).

<sup>&</sup>lt;sup>29</sup> Phillips and Dean 24 Resp. (Apr. 11, 2024).

We Deserve Better Resp. at 1, 5; Phillips and Dean 24 Resp. at 1, 5.

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- 1 agents" as in-kind contributions to that candidate and must be reported as expenditures made by
- 2 and contributions received by the candidate's authorized committee.<sup>31</sup> IEOPCs are prohibited
- 3 from making contributions to candidates and their authorized committees.<sup>32</sup> No authorized
- 4 committee shall knowingly accept excessive or prohibited contributions.<sup>33</sup>
- 5 The Commission's regulations provide a three-part test for determining when a
- 6 communication is a coordinated expenditure, which is treated as an in-kind contribution.<sup>34</sup>
- 7 Under Commission regulations, a communication is coordinated and treated as an in-kind
- 8 contribution when: (1) it is paid for by someone other than a candidate, a candidate's authorized
- 9 committee, a political party committee, or the authorized agents of either (the "payment prong");
- 10 (2) it satisfies one of the content standards (the "content prong");<sup>35</sup> and (3) it satisfies one of the
- 11 conduct standards (the "conduct prong"). 36 A communication must satisfy all three prongs to be
- 12 considered coordinated under Commission regulations.<sup>37</sup>

<sup>52</sup> U.S.C. § 30116(a)(7)(B); 11 C.F.R. § 104.13. Authorized committees are required to report the identification of each person who contributes an aggregate amount of \$200 or more per election cycle, along with the date and amount of the contribution, including in-kind contributions. 52 U.S.C. § 30104(b)(3); 11 C.F.R. § 100.52(d)(1).

See 52 U.S.C. § 30116(a) (limitations on contributions); 52 U.S.C. § 30118(a) (prohibition on corporate contributions); Advisory Op. 2010-11 (Commonsense Ten) at 2-3.

<sup>&</sup>lt;sup>33</sup> 52 U.S.C. §§ 30116(f), 30118(a).

<sup>&</sup>lt;sup>34</sup> 11 C.F.R. § 109.21(a)-(b).

The content standards state that the communication at issue must be (1) a communication that is an electioneering communication; (2) a public communication that disseminates, distributes, or republishes, in whole or in part, campaign material prepared by a candidate or the candidate's authorized committee; (3) a public communication that expressly advocates the election or defeat of a clearly identified candidate for Federal office; (4) a public communication referring to various types of federal candidates or to political parties that satisfies the requirements of 11 C.F.R. §§ 109.21(c)(4)(i), (ii), (iii) or (iv); or (5) a public communication that is the functional equivalent of express advocacy. 11 C.F.R. § 109.21(c).

The six types of conduct that satisfy the conduct prong are: (1) request or suggestion; (2) material involvement; (3) substantial discussion; (4) use of a common vendor; (5) use of a former employee or independent contractor; and (6) republication of campaign material. 11 C.F.R. § 109.21(d).

See 11 C.F.R. § 109.21; see also Explanation and Justification, Coordinated and Independent Expenditures, 68 Fed. Reg. 421, 453 (Jan. 3, 2003).

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1 The material involvement, substantial discussion, common vendor, and former employee 2 or independent contractor standards of the conduct prong are not satisfied "if the information 3 material to the creation, production, or distribution of the communication was obtained from a publicly available source."38 To qualify for safe harbor for the use of publicly available 4 5 information, "the person paying for the communication bears the burden of showing that the 6 information used in creating, producing or distributing the communication was obtained from a publicly available source."39 7 8 The first two prongs of the coordination test are satisfied because We Deserve Better 9 appears to have disclosed its payment for the America Is Not Affordable ad as an independent expenditure in support of Phillips. 40 Further, the ad expressly advocates the election of 10 Phillips. 41 With respect to the conduct prong, the Complaint alleges that the *America Is Not* 11 Affordable ad was impermissibly coordinated based on We Deserve Better's use of nonpublic 12 13 campaign information obtained through the Krisiloffs' substantial discussions with the Phillips campaign.42 14

<sup>&</sup>lt;sup>38</sup> 11 C.F.R. § 109.21(d)(2)-(5); *see* Coordinated Communications, 71 Fed. Reg. 33,190, 33,205 (June 8, 2006) (explaining that "[u]nder the new safe harbor, a communication created with information found ... on a candidate's or political party's website or learned from a public campaign speech ... is not a coordinated communication..."); *see also* Factual & Legal Analysis ("F&LA") at 6, MUR 6535 (Romney for President).

<sup>&</sup>lt;sup>39</sup> 71 Fed. Reg. at 33,205.

We Deserve Better disclosed independent expenditures disseminated on December 26, 2023. See We Deserve Better, 48-Hour Report of Independent Expenditures at 1 (Dec. 26, 2023), <a href="https://docquery.fec.gov/pdf/963/202312289599925963/202312289599925963.pdf">https://docquery.fec.gov/pdf/963/202312289599925963/202312289599925963.pdf</a>. Although it is not certain from the disclosure that it refers to the America Is Not Affordable ad, it is likely since the ad ran on December 26, 2023. See Compl. ¶ 16.

The ad contains the language "Democrat Dean Phillips for President." *See* 11 C.F.R. § 100.22(a) (definition of "expressly advocating"); *see also* 11 C.F.R. § 109.21(c)(3) (express advocacy content standard).

Compl. ¶ 2. The Complaint alleges that the coordination references "at least some of [We Deserve Better's] communications" but the *America Is Not Affordable* ad is the only communication identified in the Complaint. *See id.* ¶ 22 n.34, ¶ 38 n.66.

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The "substantial discussion" conduct standard is met when a communication is created, produced or distributed after one or more "substantial discussion[s]" between the person paying for the communication and the candidate. 43 A discussion is "substantial" if information about the candidate's plans, projects, activities or needs is conveyed to the person paying for the communication, and that information is material to the creation, production or distribution of the communication.<sup>44</sup> The substantial discussion conduct standard, however, is not satisfied if the information material to the communication is obtained from a publicly available source. 45 The record here does not indicate that the substantial discussion conduct standard has been met. The Complaint does not allege specific conduct by the parties showing that they shared information about the Dean 24 campaign's plans, projects, activities or needs and acknowledges that available information does not establish that We Deserve Better's communications were informed by the Krisiloffs' prior campaign involvement. 46 While the campaign memorandum referenced by the Rolling Stone article reportedly contemplated polling on positions Phillips did not yet hold, including testing "Medicare for All," and discussed focus groups conducted by the Krisiloffs, the Complaint does not allege conduct by the Krisiloffs supporting coordination.<sup>47</sup> The record here suggests that the Krisiloffs had access to and commented on a campaign

memorandum that discussed the use of both "We Deserve Better" and "Medicare for All" before

<sup>&</sup>lt;sup>43</sup> 11 C.F.R. § 109.21(d)(3).

<sup>&</sup>lt;sup>44</sup> *Id*.

<sup>&</sup>lt;sup>45</sup> *Id*.

<sup>46</sup> Compl. ¶ 40.

Tessa Stuart, *Did These 'Tech Bros' Break the Law Backing Biden's Rival?*, ROLLING STONE (Jan. 18, 2024), <a href="https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/">https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/</a>; see also Compl. ¶¶ 15-18. As noted above, the Complaint did not include, and a search of publicly available information has not located, the memorandum.

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- 1 the Krisiloffs departed Dean 24 and started We Deserve Better, and before Phillips signed on to
- 2 the "Medicare for All Act" and the America Is Not Affordable ad ran. 48 The Responses correctly
- 3 argue that the phrases have been commonly used in political discourse for more than a decade.<sup>49</sup>
- 4 Moreover, Phillips signed onto a House Resolution called "Medicare for All" that was publicly
- 5 available six days before the We Deserve Better ad aired.<sup>50</sup> The Krisiloffs provided declarations
- 6 stating that "no nonpublic information obtained from the Campaign was used in the creation,
- 7 production, or distribution of this advertisement," and stating that *America Is Not Affordable* was
- 8 an advertisement We Deserve Better funded *after* Phillips publicly announced his support for the
- 9 "Medicare for All Act" (H.R. 3421).<sup>51</sup>

Accordingly, the use of the two phrases is not necessarily evidence of We Deserve

- Better's use of material, nonpublic information, and the fact that We Deserve Better conducted
- its own focus groups and polling further supports that it did not rely on nonpublic information
- from Dean 24 in running the ad. Finally, while the record supports that the Krisiloffs had
- 14 exposure to discussions about the two phrases that are the subject of the Complaint, neither the
- 15 Complaint nor the *Rolling Stone* press article cites to comments made by the Krisiloffs regarding
- those phrases, apart from Matt Krisiloff mentioning Phillips's desire to poll test "We Deserve

Tessa Stuart, *Did These 'Tech Bros' Break the Law Backing Biden's Rival?*, ROLLING STONE (Jan. 18, 2024), <a href="https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/">https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/</a>; see also Compl. ¶ 15-18.

We Deserve Better Resp., Attachs. A and B ¶¶ 5 (Declarations of Matt Krisiloff and Scott Krisiloff); *see also* Phillips and Dean 24 Resp. at 1; We Deserve Better Resp. at 5 ("'Medicare for All' has been used extensively by health care advocates and progressive candidates for years, including virtually the entire field of Democratic candidates in at least the last three election cycles"... "'We Deserve Better' has been employed for decades to express dissatisfaction with the status quo, particularly in the field of politics.").

Press Release, Phillips Backs Medicare for All (Dec. 20, 2023), <a href="https://phillips.house.gov/news/document\_single.aspx?DocumentID=1006">https://phillips.house.gov/news/document\_single.aspx?DocumentID=1006</a>; see also We Deserve Better, America Is Not Affordable, YOUTUBE (Dec. 26, 2023), <a href="https://www.youtube.com/watch?v=2P7gznSX050">https://www.youtube.com/watch?v=2P7gznSX050</a>.

We Deserve Better Resp., Attachs. A and B ¶¶ 5 (Declarations of Matt Krisiloff and Scott Krisiloff).

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- 1 Better," among other possible campaign slogans. 52 These comments alone do not mean that
- 2 naming the IEOPC "We Deserve Better" necessarily called for the use of nonpublic information
- 3 obtained by the Krisiloffs, when considered alongside the statements made in the declarations to
- 4 the contrary.

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- In sum, the available information, particularly given the lack of clarity concerning the
- 6 degree of the Krisiloffs' involvement in Dean 24, does not sufficiently support the Complaint's
- 7 allegation that We Deserve Better's communications were the result of the Krisiloffs' use of
- 8 "insider knowledge to form a Super PAC and craft its ads with material, nonpublic information
- 9 from the Phillips campaign."53

### IV. CONCLUSION

While an investigation into the communications the Krisiloffs accessed while working with Dean 24 could explore the potential use of nonpublic material by We Deserve Better, the factual record presented in the Complaint, Response, and public domain appears to be insufficient to support a reason to believe finding. Based on the available information, the Commission dismisses the allegations that We Deserve Better, Inc. and Justin Phillips in his official capacity as treasurer violated 52 U.S.C. §§ 30104(b), 30116(a) and 30118(a) by making and failing to report excessive and prohibited in-kind contributions in the form of coordinated communications. The Commission also dismisses the allegation that Dean 24, Inc. and Andrew Minck in his official capacity as treasurer violated 52 U.S.C. §§ 30104(b), 30116(f) and 30118(a)

Tessa Stuart, *Did These 'Tech Bros' Break the Law Backing Biden's Rival?*, ROLLING STONE (Jan. 18, 2024), <a href="https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/">https://www.rollingstone.com/politics/politics-features/dean-phillips-biden-challenger-super-pac-sam-altman-1234949460/</a>.

Compl. ¶¶ 32, 43. The other conduct standards do not appear to be satisfied here, nor are they so alleged. See 11 C.F.R. § 109.21(d)(1) (request or suggestion), (d)(2) (material involvement), (d)(4) (common vendor), (d)(5) (former employee).

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- 1 by knowingly accepting or receiving and failing to report the alleged excessive and prohibited
- 2 contributions. Additionally, the Commission dismisses the allegation that Phillips violated
- 3 52 U.S.C. §§ 30116(f) and 30118(a) by receiving the alleged excessive contributions. Because
- 4 the Commission dismisses the allegations as to the coordinated communications, the
- 5 Commission likewise dismisses the allegation that We Deserve Better "has contravened the
- 6 'independence' required to accept unlimited contributions and contributions from corporations,"
- 7 in violation of 52 U.S.C. §§ 30116(f) and 30118(a).<sup>54</sup>

<sup>5/</sup>