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ROSENSTEIN & BIRKENSTOCK, P.C.

1090 Vermont Ave NW, Suite 750 Washington, DC 20005 www.sandlerreiff.com T: 202-479-1111

April 18, 2024

Federal Election Commission Office of Complaints Examination and Legal Administration Attn: Trace Keeys, Paralegal 1050 First Street, NE Washington, D.C. 20463

Re: MUR 8230

Ms. Keeys:

The undersigned serves as counsel to the New Politics Leadership Academy ("NPLA"), a 501(c)(3) charitable organization that recruits military veterans and national service alumni to run for public office. NPLA is a nonpartisan, non-profit organization dedicated to revitalizing American democracy by recruiting, supporting, and empowering servant leaders who put community and country over self.

This letter responds on behalf of NLPA to the Commission's notification of a complaint from the Foundation for Accountability and Civic Trust (the "Complaint") alleging that organizations named the American Mainstream Policy Leadership Institute and the Our American Future Foundation violated the Federal Election Campaign Act and Federal Election Commission (the "Commission") regulations.

While NPLA is not named by the Complainant as a respondent in this MUR, nor are any legitimate allegations of wrongdoing made against NPLA specifically, NPLA appreciates the opportunity to respond and clear its name in this matter. Many of the allegations in this matter are repeated from those in MUR 7816, where NPLA was referenced, but was also not a respondent. In that matter, the General Counsel's office recommended dismissing the matter, and the Commission voted 5-1 to find no reason to believe and to do so.<sup>1</sup>

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<sup>&</sup>lt;sup>1</sup> FEC MUR 7816, First General Counsel's Report (July 21, 2021) <u>at https://www.fec.gov/files/legal/murs/7816/7816\_17.pdf;</u> Certification (April 8, 2022) <u>at https://www.fec.gov/files/legal/murs/7816/7816\_18.pdf</u> (last accessed April 15, 2024).

As a 501(c)(3) charitable organization, NPLA is subject to numerous requirements (outside of the Act) that prohibit it from engaging in any "partisan intervention" whatsoever. <sup>2</sup> While the IRS uses a "facts and circumstances" analysis, the consequences of a 501(c)(3) violating this prohibition are severe, and cause organizations like NPLA to remain *completely* non-partisan.

For example, if NPLA were to engage in prohibited partisan intervention, the IRS could revoke its status as a 501(c)(3) – so donors NPLA's would not be able to take a tax-deduction – and could even treat the organization as a for-profit business subject to tax retroactively on all of its contribution income. The IRS can also impose a tax on the political expenditures, including on NPLA's officers, directors, and managers, personally.

NPLA takes this prohibition very seriously, and its programs are structured with this prohibition in mind – providing training to former servicemembers to run for public office, regardless of political affiliation. When NPLA launched its fellowship in 2018, it described the program in a public flyer as follows:



<sup>&</sup>lt;sup>2</sup> See, e.g.:

- Internal Revenue Service, Revenue Ruling 2007-41 (June 18, 2007), <u>at https://www.irs.gov/pub/irs-drop/rr-07-41.pdf</u>
- Internal Revenue Service, Revenue Ruling 2004-06 (January 26, 2004) at <a href="https://www.irs.gov/irb/2004-04\_IRB#RR-2004-6">https://www.irs.gov/irb/2004-04\_IRB#RR-2004-6</a> (last accessed April 15, 2024).

The opportunity to become a NPLA Fellow has been extended to former candidates, regardless of political party, who had previously served the country through National Service organizations, the national security and intelligence community, or in the military. Fellows are expected to – outside of the above – work on initiatives related to NPLA's leadership development and educational mission, including projects that provided NPLA with quantitative research about the rural-urban divide and insight into how issues that are typically understood as domestic or state-level challenges may ultimately affect national security.

Simply put, as a 501(c)(3) charitable organization, NPLA does not intend to support or subsidize any candidate's run for office.

NPLA served as the initial fiscal sponsor of the American Mainstream Policy Leadership Institute until the two parted ways. Mr. Will Rollins, referenced in the Complaint as being paid by NPLA, was in actuality paid by the American Mainstream Policy Leadership Institute, under fiscal sponsorship – questions regarding Mr. Rollins' fellowship should be directed to American Mainstream Policy Leadership Institute.

The Complaint makes no clear, substantive accusations against NPLA. A complaint is required to allege facts that give rise to a violation of the Act or Commission regulations.<sup>3</sup> As the Complaint does not do so – and only speculates without making a clear accusation that NPLA can respond to – we request that the Commission determine that there is no reason to believe that NPLA committed any violation alleged in the Complaint, and close the file in relation to the organization.

<u>See</u>, e.g., MUR 6296 (Buck for Colorado), Statement of Reasons of Vice-Chair Caroline C. Hunter and Commissioners Donald F. McGahn and Matthew S. Petersen at 7 ("[T]he Act's complaint requirements and limits on Commission investigative authority serve no purpose if the Commission proceeds anytime it can imagine a scenario under which a violation may have occurred."). . .

MUR 5467 (Michael Moore), First Gen. Counsel's Rpt. at 5 ("Purely speculative charges, especially when accompanied by a direct refutation, do not form an adequate basis to find reason to believe that a violation of the [Act] has occurred."); see also FEC v. Machinists Non-Partisan Political League, 655 F.2d 380,388 (D.C. Cir. 1981) ("[M]ere 'official curiosity' will not suffice as the basis for FEC investigations"); id. at 387 (distinguishing the Commission from other administrative agencies that are "vested with broad duties to gather and compile information and to conduct periodic investigations concerning business practices .... the FEC has no such roving statutory functions"), available at <a href="https://eqs.fec.gov/eqsdocsMUR/7135\_2.pdf">https://eqs.fec.gov/eqsdocsMUR/7135\_2.pdf</a> (last accessed April 15, 2024).

<sup>&</sup>lt;sup>3</sup> <u>See</u> FEC MUR 7135 (Donald J. Trump for President, et. al.), Statement of Reasons of Commissions Hunter and Petersen at fn 31 (September 6, 2018, spacing for clarity), <u>citing MURs 6296, 6056, 5467</u> ("We have on multiple occasions shown that the reason to believe standard found at 52 U.S.C. § 30109(a)(2) means more than merely a reason to suspect.

Sincerely,

David Mitrani

Counsel for New Politics Leadership Academy