

April 25, 2025

# BY ELECTRONIC MAIL ONLY

jkasschau@harrisbeach.com Jared A. Kasschau, Esq. Harris Beach PLLC 333 Earle Ovington Blvd. Suite 901 Uniondale, NY 11335

RE: MUR 8230

Josh Riley and Josh Riley for Congress and Victoria Perrone in her official capacity as treasurer

Dear Mr. Kasschau:

On March 19, 2024, the Federal Election Commission notified your clients Josh Riley and Josh Riley for Congress and Victoria Perrone in her 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 Josh Riley and Josh Riley for Congress and Victoria Perrone in her official capacity as treasurer violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(d) by knowingly accepting or receiving a prohibited corporate contribution. Accordingly, on March 25, 2025, the Commission voted to close the file effective April 25, 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) 694-1611.

Sincerely

BY: Mark Shonkwiler

Mark Shonkwiler

**Assistant General Counsel** 

#### FEDERAL ELECTION COMMISSION

#### FACTUAL AND LEGAL ANALYSIS

3	RESPONDENTS:	Our American Future Foundation	MUR 8230
4		New Politics Leadership Academy	
5		Mandela Barnes	
6		The Long Run PAC f/k/a Mandela Barnes for	
7		Wisconsin and Ellen Bravo in her official capacity	
8		as treasurer <sup>1</sup>	
9		Cheri Beasley	
10		Cheri Beasley for North Carolina and Lauren Decot	
11		Lee in her official capacity as treasurer <sup>2</sup>	
12		Kirsten Engel	
13		Engel for Arizona and Dacey Montoya in her	
14		official capacity as treasurer	
15		Laura Gillen	
16		Gillen for Congress and Stuart Lang in his official	
17		capacity as treasurer	
18		Gillen for New York and Stuart Lang in his official	
19		capacity as treasurer	
20		Josh Riley	
21		Josh Riley for Congress and Victoria Perrone in her	
22		official capacity as treasurer <sup>3</sup>	
23		Will Rollins	
24		Will Rollins for Congress and Jay Patterson in his	
25		official capacity as treasurer <sup>4</sup>	
26		Tony Vargas	
27		Vargas for Congress and Jessica Lathrop in her	
28		official capacity as treasurer	
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On February 7, 2023, Mandela Barnes for Wisconsin filed an amended Statement of Organization converting it into The Long Run PAC, a multicandidate committee. The Long Run PAC, Statement of Organization at 2 (Feb. 7, 2023).

At the time of the activity in this matter and at the time of the notifications, Cheri Beasley for North Carolina's treasurer was Megan Brengarth. Cheri Beasley for North Carolina, Amended Statement of Organization (Oct. 15, 2022).

At the time of the activity in this matter, Josh Riley for Congress's treasurer was Brian Saluti. Josh Riley for Congress, Amended Statement of Organization (Oct. 11, 2022).

At the time of the activity in this matter, Will Rollins for Congress's treasurer was Amy Gonzales. Will Rollins for Congress, Amended Statement of Organization (Aug. 25, 2022).

This matter arises from a Complaint alleging that Our American Future Foundation

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### I. INTRODUCTION

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3	("OAFF"), a 501(c)(3) non-profit organization, made payments to candidates through its	
4	program, the American Mainstream Policy Leadership Institute ("AMPLI"), under the guise of a	
5	fellowship when the true purpose was to make illegal corporate contributions to federal	
6	candidates, in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"	
7	The Responses deny the allegations, stating that the fellowship recipients were not	

candidates at the time of their participation in the program and that compensation was for *bona fide* work, consisting of research and policy development, and was paid either before or after (but never during) the recipients' campaigns.

As discussed below, the Commission dismisses the allegations that Respondents violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b) and (d) by making and knowingly accepting prohibited corporate contributions because it does not appear that any of the fellowship recipients were candidates during their participation in the program.

## II. FACTUAL BACKGROUND

OAFF is a 501(c)(3) tax exempt corporation.<sup>5</sup> The New Politics Leadership Academy ("NPLA") is a 501(c)(3) organization that, in 2019, started the AMPLI fellowship program that is now run by OAFF.<sup>6</sup> According to the OAFF Response, the objective of the AMPLI fellowship is "the development of innovative, mainstream strategies and solutions around diverse

IRS Form 990, Our American Future Foundation, 2022 Return of Organization Exempt from Income Tax (May 13, 2024) https://projects.propublica.org/nonprofits/organizations/884235954/202411349349306501/full.

Compl. at 1 (Feb. 12, 2024); OAFF and AMPLI Resp. at 2 (May 17, 2024); NPLA Resp. at 3 (Apr. 18, 2024). The Complaint alleges that Will Rollins received a fellowship payment from NPLA; however, the NPLA Response states that Rollins was in fact paid by AMPLI, which is run by OAFF, no longer by NPLA. Compl. at 3; NPLA Resp. at 3.

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- topics, which include, but are not limited to, national security, the climate crisis, veterans' issues. 1
- 2 sustainable agriculture, and public safety."7
- 3 Mandela Barnes and Cheri Beasley were U.S. Senate candidates in the 2022 election;
- 4 they participated in the AMPLI fellowship after their respective losses and did not run again in
- 2024.8 Kirsten Engel, Laura Gillen, Will Rollins, Josh Riley, and Tony Vargas were U.S. House 5
- candidates in the 2022 and 2024 elections. As explained below, the five individuals who 6
- 7 became candidates in the 2024 election participated in the AMPLI fellowship program for a
- 8 period of time between January and July 2023, after the conclusion of the 2022 cycle and prior to
- 9 filing Statements of Candidacy in the 2024 cycle.
- 10 The Complaint identifies AMPLI fellowship payments from OAFF to the aforementioned
- five individuals on their House Financial Disclosure Reports. 10 The payments were made 11
- 12 within, at most, a seven month period between January and July 2023 in amounts ranging from
- 13 less than \$5,000 to \$60,000 and began in the winter following their defeat as candidates in the

OAFF and AMPLI Resp. at 2; see OAFF and AMPLI Resp., Attach. 1 (AMPLI flyer).

Mandela Barnes, Statement of Candidacy at 1 (Jan. 31, 2023) https://docquery.fec.gov/pdf/111/202301319575516111/202301319575516111.pdf; Cheri Beasley, Statement of Candidacy at 1 (Apr. 15, 2023) https://docquery.fec.gov/pdf/798/202304159580904798/202304159580904798.pdf.

Kirsten Engel, Statement of Candidacy at 1 (Oct. 28, 2022) https://docauerv.fec.gov/pdf/385/202210289546612385/202210289546612385.pdf; Kirsten Engel, Statement of Candidacy at 1 (Oct. 22, 2024) https://docquery.fec.gov/pdf/294/202410229710080294/202410229710080294.pdf; Laura Gillen, Statement of Candidacy at 1 (Oct. 4, 2022)

https://docquery.fec.gov/pdf/748/202210049532054748/202210049532054748.pdf; Laura Gillen, Statement of Candidacy at 1 (Nov. 22, 2024) https://docquery.fec.gov/pdf/517/202411229720027517/202411229720027517.pdf; Will Rollins, Statement of Candidacy at 1 (Aug. 25, 2022)

https://docquery.fec.gov/pdf/385/202210289546612385/202210289546612385.pdf; Will Rollins, Statement of Candidacy at 1 (Apr. 25, 2024) https://docquery.fec.gov/pdf/926/202404259636744926/202404259636744926.pdf; Josh Riley, 2022 Statement of Candidacy at 1 (Oct. 11, 2022)

https://docquery.fec.gov/pdf/237/202210119532128237/202210119532128237.pdf; Josh Riley, 2024 Statement of Candidacy at 1 (Aug. 28, 2024) https://docquery.fec.gov/pdf/461/202408289675291461/202408289675291461.pdf: Tony Vargas, 2022 Statement of Candidacy at 1 (Oct. 15, 2022)

https://docquery.fec.gov/pdf/771/202210159536889771/202210159536889771.pdf; Tony Vargas, 2024 Statement of Candidacy at 1 (Sept. 26, 2024) https://docquery.fec.gov/pdf/984/202409269684727984/202409269684727984.pdf.

Compl. at 3.

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- 1 2022 general election.<sup>11</sup> The Complaint broadly alleges that OAFF gave money to the
- 2 candidates after they lost an election so they would have money for their personal expenses.<sup>14</sup>
- 3 Based on AMPLI's stated purpose of creating paid fellowships for public servants, the
- 4 Complaint alleges that the payments were not "genuinely independent of the candidacy," in
- 5 violation of the Act and Commission regulations. 15
- In response, AMPLI submitted the signed declaration of Kathleen Nee, CEO of AMPLI,
- 7 who attests that the fellowship program is for "former candidates who have shown exceptional
- 8 leadership" on issues that further AMPLI's mission. 16 Nee further states that fellows enter into
- 9 an agreement to "[r]esearch and develop policies," "[p]articipate in monthly strategy
- discussions," "[s]ubmit written reflections," and "[p]articipate in occasional focus group and
- work sessions for messaging mainstream policies." Fellows "wrote op-eds, spoke at events,
- and met with ... stakeholders in connection with their policies." Fellows were prohibited from
- engaging in activities that would trigger reporting obligations with the FEC, and must "resign
- 14 from the program once they manifested an intent to run for public office." Fellows who
- resigned were paid a prorated amount for work performed prior to their resignations; "fellows

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

Id. at 1-3 (citing CLERK OF THE UNITED STATES HOUSE OF REPRESENTATIVES, FINANCIAL DISCLOSURE REPORTS, <a href="https://disclosures-clerk.house.gov/FinancialDisclosure">https://disclosures-clerk.house.gov/FinancialDisclosure</a>). No payments are identified in the Complaint as made to Cheri Beasley or Mandela Burns, who were not candidates in 2024, or as to Kirsten Engel, who states in her Response that she did not receive compensation in connection with her participation in the AMPLI program. See Kirsten Engel and Engel for Arizona Resp. at 3 (May 6, 2024).

Compl. at 4.

<sup>&</sup>lt;sup>16</sup> AMPLI Resp. (May 17, 2024), Nee Decl. ¶ 3.

<sup>&</sup>lt;sup>17</sup> *Id.* ¶ 6.

<sup>&</sup>lt;sup>18</sup> *Id.* ¶ 7.

*<sup>19</sup> Id.* ¶ 9.

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- were not paid for any work once they resigned and became federal candidates."<sup>20</sup>
- The Respondent candidates assert that they were not candidates at the time of the
- 3 fellowship and thus the Commission's compensation regulations do not apply.<sup>21</sup> But, even if the
- 4 regulations did apply, they assert that the fellowship payments were in exchange for *bona fide*
- 5 work and thus would not constitute contributions. Each describes the nature of the work as
- 6 research and writing analysis on policy issues of importance to each individual, including crime
- and safety, housing policy, healthcare policy, tax fairness and the small business community, and
- 8 voter access in rural and urban settings.<sup>22</sup>

### III. LEGAL ANALYSIS

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An individual becomes a "candidate" under the Act when such individual receives contributions or makes expenditures in excess of \$5,000 or gives consent to another person to receive contributions or make expenditures on behalf of such individual and such person has received such contributions or has made such expenditures in excess of \$5,000.<sup>26</sup> After an individual exceeds the \$5,000 threshold and becomes a "candidate," the individual has 15 days to file a Statement of Candidacy designating a political committee as the individual's principal campaign committee.<sup>27</sup>

*Id.* ¶¶ 12-13.

Barnes and Long Run Resp. at 2 (May 6, 2024); Beasley and Beasley for North Carolina Resp. at 2 (May 6, 2024); Engel and Engel for Arizona Resp. at 3; Riley and Riley for Congress Resp. at 2 (May 13, 2024); Gillen, Gillen for Congress, and Gillen for New York Resp. at 3 (July 10, 2024); Vargas and Vargas for Congress Resp. at 2-3 (May 6, 2024); Rollins and Rollins for Congress Resp. at 2 (May 13, 2024).

Riley and Riley for Congress Resp. at 2; Gillen, Gillen for Congress, and Gillen for New York Resp. at 3; Vargas and Vargas for Congress Resp. at 2-3; Rollins and Rollins for Congress Resp. at 2; Barnes and Long Run Resp. at 2; Beasley and Beasley for North Carolina Resp. at 2.

<sup>&</sup>lt;sup>26</sup> 52 U.S.C. § 30101(2); see also 11 C.F.R. § 100.3(a).

<sup>&</sup>lt;sup>27</sup> 52 U.S.C. § 30102(e)(1); 11 C.F.R. §§ 101.1(a), 102.12(a).

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1 The Act prohibits corporations from making contributions to federal candidates or their 2 authorized committees, and candidates and authorized committees are prohibited from knowingly receiving or accepting such contributions.<sup>28</sup> Under Section 30118 of the Act, the 3 term "contribution" includes "any gift, loan, advance, or deposit of money or anything of value 4 5 made by any person for the purpose of influencing any election for Federal office," and "any 6 direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, 7 or anything of value . . . to any candidate, campaign committee, or political party or organization," in connection with any election to any Federal office.<sup>29</sup> 8 9 Respondents were not federal candidates at the time they received the payments from the 10 fellowship program. Candidates received payments in the winter of 2023, following the 2022 11 election cycle, after each of the recipients had lost their elections. Two of the recipients did not 12 become candidates in 2024. The other five recipients registered as candidates in 2024 but filed 13 their Statements of Candidacy after they had resigned from their fellowships. In addition, the Complaint does not allege any activity on the part of the recipients — such as public statements, 14 15 solicitation of contributions, or other campaign activity — that might suggest that they became candidates before officially registering as candidates while they were participating in the 16 fellowship program. 17 18 Moreover, the fellowship payments themselves were not for the purpose of influencing a 19 federal election and thus were not contributions. The Responses, including Nee's sworn

Declaration, assert that the fellowship payments were in exchange for bona fide services

performed by the fellows, including for example, policy research, writing, attending focus groups

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<sup>&</sup>lt;sup>28</sup> 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b)(1).

<sup>&</sup>lt;sup>29</sup> 52 U.S.C. § 30118(b)(2); 11 C.F.R. § 114.2(b)(1).

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and strategy sessions, and speaking at events.<sup>38</sup> Although the Complaint cites to a vague public

2 statement made by the CEO of NPLA about how fellowship recipients may have spent their

3 fellowship funds, <sup>39</sup> such as for groceries or rent, the Complaint does not provide any information

that would tend to contradict Nee's signed declaration that the fellowship payments were for the

purpose of compensating bona fide work, not for the purpose of influencing a federal election.

6 In MUR 7816 (Daniel Feehan), the Commission dismissed similar allegations that NPLA

- the same respondent as in this matter - made a prohibited corporate contribution in connection

with what appears to be the exact same fellowship at issue here. 40 There, the Commission found

that the respondent was not a candidate at the time of the fellowship and that, in any event, the

compensation constituted bona fide employment. 41 There is no basis on this record to treat the

11 Respondents here differently.

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For these reasons, the Commission dismisses the allegations that Respondents violated

52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b) and (d) by making and knowingly accepting

14 prohibited corporate contributions.

<sup>38</sup> AMPLI Resp., Nee Decl. ¶¶ 3-13.

Compl. at 2.

Factual and Legal Analysis ("F&LA") at 8, MUR 7816 (Daniel Feehan, et al.).

<sup>41</sup> *Id.* at 8, 11.