



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

March 3, 2025

By Electronic Mail and UPS

JTyrrell@dickinsonwright.com

James E. Tyrrell, III, Esquire
Dickinson Wright PLLC
1825 Eye Street, N.W.
Suite 900
Washington, DC 20006

RE: MUR 8245
McSally PAC and Paul Kilgore
in his official capacity as treasurer

Dear Mr. Tyrrell:

On January 28, 2025, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of violations of 52 U.S.C. §§ 30116(f) and 30118(a), provisions of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. §§ 110.9 and 114.2(d), provisions of the Commission's 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 (thirty) 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 delivery to the same address but with a different zip code (20002). Please write the matter number "MUR 8245 civil penalty" on the memo line of the check. If you have any questions, please contact me at (202) 694-1210.

MUR 8245 (McSally PAC)
Letter to Respondent's Counsel
Page 2 of 2

Sincerely,

Kenneth E. Sealls

Kenneth E. Sealls
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)	
)	MUR 8245
McSally PAC and Paul Kilgore 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 McSally PAC and Paul Kilgore in his official capacity as treasurer (“Respondent” or the “Committee”) violated 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting excessive contributions and 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(d) by knowingly accepting prohibited corporate contributions.

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:

1. During the relevant period, the Committee was the principal campaign committee of Martha McSally, who ran for election to the U.S. Senate in Arizona in the 2020 election cycle. Paul Kilgore is its treasurer.

2. During the 2020 election cycle, an authorized committee could not accept more than \$2,800 per election from individuals and could not accept more than \$5,000 per election from nonconnected political committees. 52 U.S.C. § 30116(a)(1)(A), (a)(1)(C), (f); 11 C.F.R. §§ 110.9, 110.1(a)-(b), 110.2(b)(1); *see* 84 Fed. Reg. 2504, 2506 (Feb. 7, 2019) (providing notice of adjustment to contribution limits).

3. Contributions which either exceed the contribution 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 accepted, 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.*

4. Candidates and their authorized committees are prohibited from knowingly accepting contributions from corporations. 52 U.S.C. § 30118(a). Contributions that present genuine questions as to whether they were made by a corporation may be, within ten days of receipt, either deposited into a campaign depository or returned to the contributor. 11 C.F.R. § 103.3(b)(1). If any such contribution is deposited, the treasurer must use best efforts to determine the legality of the contribution. *Id.* And if within 30 days of receipt of the contribution the treasurer cannot determine whether the contribution is legal, the treasurer must refund the contribution. *Id.*

5. Under Commission regulations, an LLC that elects to be treated as a corporation by the Internal Revenue Service or an LLC with publicly-traded shares, shall be

considered a corporation pursuant to 11 C.F.R. § 110.1(g)(3). If an LLC elects to be treated as a partnership by the Internal Revenue Service, or does not elect treatment as either a partnership or a corporation, a contribution from the LLC shall be considered a contribution from a partnership. *Id.* § 110.1(g)(2); *see also id.* § 110.1(e) (requiring the contributions by a partnership shall be attributed to the partnership and to each partner — (1) In direct proportion to his or her share of the partnership profits, according to instructions which shall be provided by the partnership to the political committee or candidate; or (2) By agreement of the partners, as long as — (i) Only the profits of the partners to whom the contribution is attributed are reduced (or losses increased), and (ii) These partners' profits are reduced (or losses increased) in proportion to the contribution attributed to each of them.”). Contributions from an LLC with a single natural person member that does not elect to be treated as a corporation by the Internal Revenue Service shall be attributed only to that single member. 11 C.F.R. § 110.1(g)(4).

6. The Committee's 2020 July Quarterly Report disclosed excessive contributions from 33 individuals totaling \$34,982.67 that were not refunded, reattributed, or redesignated within the permissible timeframe.

7. The Committee's 2020 12-Day Pre-Primary Report disclosed excessive contributions from 11 individuals totaling \$13,599.50 that were not refunded, reattributed, or redesignated within the permissible timeframe.

8. The Committee's 2020 October Quarterly Report disclosed excessive contributions totaling \$21,025 from 23 individuals and two multicandidate PACs, as well as six prohibited contributions totaling \$4,250 from three corporate LLCs and two corporations for a total of \$25,275, that were not refunded, reattributed, or redesignated within the permissible timeframes.

9. The Committee's 2020 30-Day Post-General Report disclosed excessive contributions totaling \$163,101.71 from 274 individuals, as well as eight prohibited contributions totaling \$6,800 from two corporate LLCs and three corporations, for a total of \$169,901.71, that were not refunded, reattributed, or redesignated within the permissible timeframes.

10. In its Response to the Complaint, the Committee provided information which showed that apparent excessive contributions totaling \$862.50 were not from individuals who had already reached their limit but rather were made by different contributors with similar names. The Commission removed those contributions from the amount in violation. Therefore, at the time that the Commission found reason to believe, the adjusted total amount of excessive contributions was \$231,846.38. The Committee had disclosed untimely refunds of \$162,789.51, made between 16 and 169 days after receipt. Accordingly, the unremedied amount of excessive contributions was \$69,056.87.

11. At the time of the Commission's reason-to-believe finding, the total amount of corporate contributions was \$11,050. The Committee had not disclosed any refunds. Thus, the unremedied amount of corporate contributions was \$11,050.

12. In sum, when the Commission found reason to believe, the Committee had disclosed \$242,896.38 in excessive and prohibited contributions, of which \$162,789.51 was untimely refunded, leaving \$69,056.87, as the unremedied amount.

13. Subsequent to the reason-to-believe finding, the Committee filed two Form 99s with the Commission disclosing remedies and clarifications for the unremedied excessive and prohibited contributions. The Form 99s clarified that certain contributions that appeared to be excessive were either refunded, redesignated, or reattributed, and that certain contributions that appeared to be prohibited were made with verified permissible funds.

Accordingly, the remaining excessive contributions total \$181,738.21, which consists of \$162,390.51 in untimely remedied contributions and \$19,327.70 in unremedied contributions.

The remaining unremedied prohibited contributions total \$2,000.

V. The parties agree to the following:

1. Respondent violated 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting excessive contributions.
2. Respondent violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(d) by knowingly accepting prohibited contributions from corporations.

VI. Respondent will take the following actions:

1. In ordinary circumstances, the Commission would seek a substantially higher civil penalty based on the violations outlined in the Agreement. However, the Commission is taking into account that the Committee represents that it intends to terminate, has no cash on hand, and has no ability to raise additional funds. In light of these factors, Respondent will pay a civil penalty to the Commission in the amount of Two Thousand Five-Hundred Dollars (\$2,500), 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).

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 Jane
 Stevenson

Digitally signed by
 Lisa Jane Stevenson
 Date: 2025.02.27
 11:46:47 -05'00'

 Lisa J. Stevenson
 Acting General Counsel

 Date

FOR THE RESPONDENT:

James E. Tyrrell III

 James E. Tyrrell III
Counsel to Respondent

1/3/25

 Date