



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Gloria Negrete McLeod; Gloria Negrete) MUR 6529
McLeod for Congress and Gilbert)
McLeod in his official capacity as)
treasurer; Gloria Negrete McLeod for)
Senate 2010; Gloria Negrete McLeod for)
Supervisor 2014; Lang, Hansen,)
O'Malley & Miller)
)

**STATEMENT OF REASONS OF VICE CHAIR CAROLINE C. HUNTER AND
COMMISSIONER MATTHEW S. PETERSEN**

This matter involves allegations that Gloria Negrete McLeod and her three campaign committees violated the Federal Election Campaign Act of 1971, as amended ("the Act"), when Gloria Negrete McLeod for Senate 2010 ("State Committee") and Gloria Negrete McLeod for Supervisor 2014 ("Supervisor Committee") commissioned and paid for a poll that, in part, benefitted McLeod's Federal campaign ("Federal Committee").¹ The complaint also alleges that the Federal Committee violated the Act by accepting an excessive contribution from the lobbying firm Lang, Hansen, O'Malley and Miller; failing to include an adequate disclaimer in a fundraising solicitation; failing to use "best efforts" to collect required contributor information in the fundraising solicitation; and soliciting non-federal funds from state and local PACs for the benefit of the Federal Committee. The complaint also alleges McLeod and the State Committee disbursed non-federal funds to state and local candidates and committees after McLeod became a candidate. The Office of General Counsel recommended finding reason to believe on only the first allegation regarding the allocation of the cost of the commissioned poll. We voted against OGC's recommendation to find reason to believe on that allegation.

At the time the poll was conducted, McLeod was a California state senator and considering running for county supervisor or Congress. The purpose of the poll was to help Senator McLeod "identify areas of importance to her Senate district constituents, and to help her make the important decision about whether to seek the office of County Supervisor or member of the House of Representatives."² Respondents stated that the poll questions were reviewed by

¹ At the time the poll was commissioned only the State and Supervisor Committees existed.

² McLeod Comms. Resp. at 5, ¶ 5. Respondents aver that there is significant overlap in the area covered by McLeod's state senate district, the county supervisor district, and the soon-to-be-created 35th Congressional District.

counsel, who advised them to allocate the \$30,120 cost between the State and Supervisor Committees.³ They contend that they were not advised that the poll could benefit the not-yet-existing Congressional Committee. When Respondents became aware of the improper allocation, they acknowledged that the part of the polling dedicated to the testing the waters activities for the Congressional race should have been paid for out of source-permissible funds and later attributed to the Congressional Committee when it was created. Respondents determined that the portion of the polling attributable to testing the waters was about 54.5%, or \$16,429.09. Accordingly, the Federal Committee issued reimbursement checks to the State and Supervisor Committees in the amounts of \$8,214.55 and \$8,214.54, respectively, and amended their reports to reflect these payments.

Respondents relied on advice of counsel in their initial allocations of the cost of the polls between the State and Supervisor Committees. And, upon notice that their allocation was improper, made efforts to remedy the mistake and comply with the law. Because the public record was clarified, we voted not to find reason to believe the committees violated the Act or Commission regulations.

2/15/17

Date

Caroline C. Hunter

Caroline C. Hunter
Vice Chair

FEB. 15, 2017

Date

Matthew S. Petersen

Matthew S. Petersen
Commissioner

³ *Id.*