



June 14, 2019

Zuzana Pacious, Auditor  
Audit Division  
Federal Election Commission  
1050 First Street, NE  
Washington, DC 20463

RE: Interim Audit Report of the Audit Division on the Mississippi Republican Party  
(January 1, 2015 - December 31, 2016)

Dear Ms. Pacious:

Thank you for the opportunity to respond further to the proposed findings.

**Proposed Finding 1. Misstatement of Financial Activity**

The Mississippi Republican Party (MRP) intends to amend its disclosure reports or file a Form 99 (Miscellaneous Text Submission) to correct the minor apparent misstatements, which we believe to be inadvertent administrative oversights.

**Proposed Finding 2. Reporting of Debts and Obligations**

MRP intends to amend its disclosure reports or file a Form 99 (Miscellaneous Text Submission) to supplement the reporting of alleged debts and obligations. Please note that MRP will do so after the Commission makes a determination on Finding 3, see below, because that determination will control whether MRP should indicate that some of the items require will require disclosure (in addition to identifying the items as debt, of course) on the appropriate schedule.

**Proposed Finding 3. Reporting of Apparent Independent Expenditures**

The IAR identified eight fundraising mailings with expenses total \$38,940 that allegedly include express advocacy (\$16,547 under 100.22(a) (mailings #2, 3, 4); \$22,393 under 100.22(b)(mailings #1, 5, 6, 7, 8)). The MRP asserts that the entire \$38,940 was reported as MRP operating expenses or fundraising expenses on the appropriate schedule supporting the

correct line number of its FEC reports. These mailings plainly constitute solicitations for MRP and primarily (1) solicit contributions to MRP and (2) explain to prospective donors the potential, permissible uses of donated funds. To the extent these solicitations mentioned or discussed federal candidates, such discussion was incidental to the call to action, a request to donate or register to vote. See Exhibit 1.

Furthermore, even if the Commission proceeds to consider whether these mailings contain express advocacy – an assertion it should reject – the language identified by the Audit Division as a call to action is not electoral. The “call to action” is a solicitation of a contribution (or a request to register to vote), not an explicit directive to vote for or against any clearly identified federal candidate. In analyzing these solicitations, no reference need be made to the MRP’s obvious intent to solicit its own contributions in these communications with its own messaging.

While we assert that the Commission should reject this finding in its entirety for the reasons stated herein, we further assert that MRP and similarly situated parties lack notice that the Commission has taken the view that incidental issue or political advocacy language can transform typical party expenses such as these into independent expenditures.

Notwithstanding these objections, at a minimum, \$22,393 of the proposed amount in this finding should be rejected because the Audit Division has based its conclusion on 11 C.F.R. § 100.22(b), when the Commission has failed to approve findings where language does not meet the requirements of 11 C.F.R. § 100.22(a). Ex. 1.

If the Commission rejects or modifies the proposed Audit Division recommendation MRP intends to amend its reports to materially correct its reporting in conformance with the Commission’s determination.

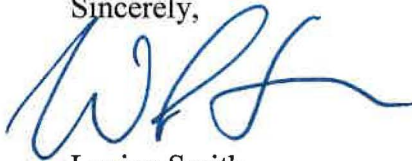
**Exhibit 1. Analysis of Eight MRP fundraising/registration mailings.**

| <u>Mailing #</u> | <u>Language Identified by Audit Division</u>  | <u>Audit Division Citation</u> | <u>Analysis: All mailings solicit contributions and 100.22 is inapt; even if relevant, 100.22 is not met, as follows:</u>   |
|------------------|---|--------------------------------|---|
| 2                | “If we unite to support Donald Trump” we still have a chance to save our country for the future       | 100.22(a)                      | This is a political statement lacking an electoral call to action   |
| 3                | Stop Hillary  | 100.22(a)                      | Phrase is included in the context of noting that “Obama-Clinton policies” “have weakened our standing in the world...”  |
| 4                | You can make a difference to support Donald Trump and to stop Hillary Clinton                         | 100.22(a)                      | Explains how contribution will be used; voter registration request, as well   |
| 1                | We must elect a Republican as the 45 <sup>th</sup> President of the United States                     | 100.22(b)                      | Identifies MRP’s goal and adjacent to issue content in the same sentence: “For the sake of free enterprise, limited government, border security, a resurgent economy, a rebuilt military and America’s place in the world...” |
| 5                | Donald Trump on the other hand will nominate Supreme Court Justices who will protect the Constitution | 100.22(b)                      | In no way constitutes electoral speech  |

|   |   |           |   |
|---|---|-----------|---|
| 6 | make sure that Donald Trump's message of Making America Great Again can be delivered                    | 100.22(b) | Explains MRP role and use of potential contributions  |
| 7 | Make sure Republicans in Mississippi turn out to vote and sent Donald Trump to a landslide victory here | 100.22(b) | Explains MRP role and use of potential contributions  |
| 8 | Here is the candidate I support as our 2016 Republican nominee for President                            | 100.22(b) | Noted language is couched in terms of the prospective donor's speech; is essentially a poll |

Thank you for your consideration and please do not hesitate to contact us if you have any further questions.

Sincerely,



Lucien Smith  
Chairman  
Mississippi Republican Party



Paul Breazeale  
Treasurer  
Mississippi Republican Party