



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Make America Great Again PAC, *et al.*) MUR 7784
)

**STATEMENT OF REASONS OF COMMISSIONERS
SHANA M. BROUSSARD AND ELLEN L. WEINTRAUB**

The former president of the United States, Donald J. Trump, is on a remarkable win streak before this Commission. Since the 2016 election cycle, the FEC has received more than 40 complaints involving Donald Trump or his committee.¹ The Commission's nonpartisan attorneys have recommended we find reason to believe Trump, his committee, or his family members violated the federal election laws alleged in at least 24 of those complaints.²

But we have investigated a grand total of zero of those allegations. *Zero*. At every turn, Republican FEC Commissioners have voted to block the pursuit of these matters, which have included allegations that Trump or his campaign committee accepted prohibited contributions through Trump's role in the Stormy Daniels payoff (allegations for which Trump's personal lawyer, Michael Cohen, went to jail),³ that the campaign illegally solicited contributions to a super PAC supportive of Trump,⁴ and that Trump solicited a prohibited foreign national contribution from Russian nationals.⁵ It also included a referral from the New York State Attorney General that provided the Commission with a mountain of evidence supporting the allegation that Trump, his committee, and his family foundation exploited a charitable event for veterans, illegally using the foundation to benefit the campaign.⁶ Even in a case

¹ See Matters Under Review ("MUR") 6961, 6992, 7037, 7094, 7096, 7098, 7100, 7111, 7119, 7135, 7147, 7151, 7159, 7207, 7220, 7255, 7265, 7266, 7268, 7313, 7319, 7324, 7332, 7339, 7340, 7350, 7351, 7364, 7366, 7379, 7390, 7407, 7425, 7540, 7571, 7609, 7623, 7637, 7736, 7737, 7758, 7784, P-MUR 611. See also Roger Sollenberger, *How the Hell Is Trump 43-0 vs. Campaign Finance Watchdogs?*, DAILY BEAST (March 2, 2022), <https://www.thedailybeast.com/donald-trump-is-now-miraculously-43-0-against-partisan-fec>.

² See First General Counsel's Reports ("FGCRs") in Matters Under Review 7094, 7096, 7098, 7135, 7207, 7220, 7265, 7266, 7268, 7313, 7319, 7324, 7332, 7339, 7340, 7351, 7364, 7366, 7379, 7425, 7609, 7623, 7784, P-MUR 611.

³ MURs 7313, 7319 and 7379 (Make America Great Again PAC (f/k/a Donald J. Trump for President, Inc., *et al.*).

⁴ MURs 7340 and 7609 (Great America Committee, *et al.*).

⁵ MURs 7207, 7268, 7274 and 7623 (Russian Federation, *et al.*).

⁶ MUR 7425 (Donald J. Trump Foundation).

where the Commission unanimously agreed that the parent company of the National Enquirer *illegally coordinated with the Trump campaign* to make payments to squelch negative stories about then-candidate Trump, Republican commissioners would only agree to enforce the law against the media entity, and not the Trump Committee.⁷

Those were important allegations that should have been pursued. But this matter takes the cake. The Complaint in this matter alleged that Trump’s campaign committee and a joint fundraising committee between the Trump committee, a leadership PAC, and the RNC misreported *hundreds of millions of dollars* in payments to two vendors controlled by Trump campaign staff.⁸ The Commission’s legal staff largely agreed and recommended that the Commission investigate. Instead, as they have done every time Trump or his committee are respondents, the Republican Commissioners blocked us from moving forward on this matter.

The Complaint labeled those two vendors – American Made Media Consultants, LLC (“AMMC”) and Parscale Strategy, LLC (“Parscale Strategy”) – as “conduits” that were used intentionally to conceal payments made by the vendors to other ultimate payees or subvendors.

Our nonpartisan attorneys concluded that AMMC indeed appears to have existed solely to serve the Trump committees and shared staff with the committees, and that the available information indicates that AMMC made payments for work performed by subvendors who worked directly for the committees.⁹ Between April 2018 and November 20, 2020, the Trump committee reported disbursements totaling over \$519 million to AMMC.¹⁰ The joint fundraising committee reported over \$255 million to AMMC between November 2018 and December 2020.¹¹ In reporting payments only to AMMC, the committees hid the ultimate payees working for them, in violation of the laws governing the disclosure of expenditures.

Or, as the Complainant put it, AMMC appears to have served as a “campaign shell company”¹² that masked the recipients of hundreds of millions of dollars in campaign spending. Our attorneys appropriately recommended we find reason to believe that the committees misreported the payees of payments made to AMMC by failing to itemize payments to subvendors and recommended that the Commission launch an investigation.¹³

Our attorneys also recommended finding reason to believe the Trump committee misreported the purpose of payments made to Parscale Strategy.¹⁴ Committees must report the purpose of expenditures so that a person not associated with the committee can “easily discern why the disbursement was made

⁷ See Factual and Legal Analysis at 8, MURs 7324, 7332, 7364, and 7366 (A360 Media, Inc., *et al.*), Certification (“Cert.”) (Mar. 17, 2021).

⁸ See FGCR at 2, MUR 7784 (Make America Great Again PAC, *et al.*).

⁹ See *id.*

¹⁰ See *id.* at 4.

¹¹ See *id.* at 5.

¹² See *id.*

¹³ See *id.* at 2, 11; 52 U.S.C. § 30104(b)(5)(A).

¹⁴ See *id.* at 2, 21; 52 U.S.C. § 30104(b)(5)(A).

when reading the name of the recipient and purpose.”¹⁵ The Trump committee reported over \$8 million in payments to Parscale Strategy with purpose codes such as “strategy consulting,” “photography services,” and “consulting- management/strategy/communications/political/digital.” These purpose codes do not disclose that Parscale Strategy reportedly paid the salaries of several Trump campaign staffers, including Lara Trump, Kimberly Guilfoyle, and Bradley Parscale.¹⁶ Our attorneys therefore recommended we find reason to believe the Trump committee misreported the purposes of disbursements to Parscale Strategy.

We agreed with our attorneys and voted accordingly.¹⁷ We did not, however, have the necessary four votes to initiate an investigation. All three Republican Commissioners voted against our attorneys’ recommendations and voted instead to dismiss the allegations.

This vote came shortly after the Commission *did* manage to find enough Republican votes to find probable cause to believe the DNC and Hillary Clinton misreported the purpose of payments to a law firm.¹⁸ As our attorneys explained, the circumstances in this matter are analogous to the DNC case. Both involved a presidential candidate making payments to a vendor along with credible press reports alleging that the purposes of those payments were for something other than what was disclosed.¹⁹ We voted to enforce the law in the DNC matter, as we did here. The major difference, excluding the parties, is that the DNC case involved a tiny fraction of the amount of money at issue in this matter.

The Republican commissioners selectively cite the evidence before us to draw false and conclusory distinctions between the matters. “This matter is distinguishable,” they wrote, “because – as stated above – the Trump Committee provided adequate purpose descriptors for its payments to Parscale Strategy, and no additional information is needed to understand what these payments were used for.”²⁰

Those purpose descriptors, as the Commission’s attorneys emphasized, neglected to mention that the funds were reportedly used to pay the salaries of several Trump campaign staffers, including Lara Trump, Guilfoyle, and Parscale. And as our attorneys noted, the respondents didn’t deny it.²¹ And the Complaint includes a direct quote from Parscale, who, when asked about it by a reporter, replied, “I can pay them however I want to pay them.”²²

¹⁵ See Statement of Policy: “Purpose of Disbursement” Entries for Filings with the Commission, 72 Fed. Reg. 887, 888 (Jan. 9, 2007).

¹⁶ See FGCR at 8, 23.

¹⁷ See Cert., MUR 7784 (Make America Great Again, *et al.*) (May 11, 2022).

¹⁸ See Cert., MURs 7291 and 7449 (DNC Services Corp., *et al.*), (Dec. 16, 2021).

¹⁹ See FGCR at 23.

²⁰ Statement of Reasons (“SOR”) of Chairman Allen J. Dickerson and Commissioners Sean J. Cooksey and James E. “Trey” Trainor, III at 11.

²¹ FGCR at 20 (“[T]he Committees’ Response does not address the allegations that Guilfoyle and Lara Trump were also employed by the Trump Committee or that Parscale reportedly stated that his firm paid Trump campaign staff”).

²² See Complaint in MUR 7784 (Make America Great Again, *et al.*), at ¶57 (p. 21), citing S.V. Date, *Trump Campaign Secretly Paying \$180,000 A Year to His Sons’ Significant Others*, HUFFPOST (Apr. 17, 2020), https://www.huffpost.com/entry/trump-secret-payments-sons-wife-girlfriend_n_5e9a1c46c5b635d25d6c747a.

Running campaign salary payments through another organization risks obscuring potential self-dealing and conflicts of interest that is exactly the type of information the FECA is intended to expose to the sunlight of disclosure. But our Republican colleagues disregard these inconvenient facts, and, in blocking any investigation, attempt to ensure that no more embarrassing facts will come to light.

They brush off the meticulously documented 81-page Complaint, which cites 80 different sources²³ in its 131 footnotes, claiming: “[T]he only arguable factual support comes from inferences based upon media reports citing anonymous sources.” “We will not pursue enforcement-by-rumor, particularly on a tenuous legal theory.”²⁴ Later, they assert, “Unsourced reports are not a proper basis for Commission enforcement action.”²⁵

We reject this attempt to discredit news reports as appropriate sources of information for complaints and appropriate bases for investigations under the Federal Election Campaign Act. The allegation that Lara Trump, Guilfoyle, and Parscale were employed by the Trump Committee, for example, is backed up by detailed reporting in *The Wall Street Journal*²⁶ and *The New York Times*.²⁷ Following up on this reporting is hardly “enforcement-by-rumor.”²⁸ We cannot agree that *The Wall Street Journal* is not a trustworthy enough news source to form the basis of a credible allegation that a significant violation of the Act may have occurred and merits investigation.²⁹

It is instructive to consider the sole anonymous source Congress banned from the enforcement context: the filer of an administrative complaint. The Act states that “The Commission may not conduct any investigation or take any other action under this section solely on the basis of a complaint of a person whose identity is not disclosed to the Commission.”³⁰

In their statement, the Republican Commissioners attempt to conflate an anonymous complainant and an anonymous source used in a news article cited by complainants or our attorneys.³¹ But there is a world of difference between them. Unlike press reports that contain anonymous sources, which have reporters, editors, and publications vouching for them, there can be no vouching for the allegations in a completely anonymous FEC complaint. This agency might not exist were it not for

²³ Among them: *The Wall Street Journal*, *The Washington Post*, *The New York Times*, Reuters, CBS, FOX News, CNN, CNBC, Trump committee press releases, the Center for Public Integrity, *Politico*, Federal Election Commission documents, *Huffington Post*, the Virginia State Corporation Commission, the Texas Comptroller of Public Accounts, and the Delaware Department of State.

²⁴ SOR at 1.

²⁵ SOR at 8-9.

²⁶ Julie Bykowicz, *Trump’s Campaign Machine Has Two-Year Head Start*, WALL ST. J. (Apr. 14, 2019), <https://www.wsj.com/articles/trumps-campaign-machine-has-two-year-head-start-11555243200>.

²⁷ Danny Hakim & Glenn Thrush, *How the Trump Campaign Took Over the G.O.P.*, N.Y. TIMES (Mar. 9, 2020), <https://www.nytimes.com/2020/03/09/us/trump-campaign-brad-parscale.html>.

²⁸ SOR at 1.

²⁹ See Federal Election Commission, “Statement of Policy Regarding Commission Action in Matters at the Initial Stage in the Enforcement Process,” 72 Fed. Reg. 12,545, 12,545 (Mar. 16, 2007).

³⁰ 52 U.S.C. §30109(a)(1).

³¹ SOR at 9 n.65 (“That the Commission may not consider anonymous complaints ... further counsels against pursuing enforcement action based upon anonymous sources alone.”).

some exceptional reporting relying on an anonymous source then known to the public only as “Deep Throat.” It is ironic, ahistorical, arbitrary, and capricious for Commissioners to refuse to consider information derived from analogous sources.

Congress established the FEC nearly a half-century ago to “protect the integrity of the federal campaign finance process by providing transparency and fairly enforcing and administering federal campaign finance laws.”³² Republican FEC Commissioners’ general refusal to enforce the law is, unfortunately, nothing new. The differences among Commissioners have sometimes been described as ideological rather than political. Recent decisions tell a different story.³³ Our Republican colleagues’ repeated refusal to hold Trump to account in any way, particularly after pursuing a similar though less egregious violation by the DNC, carries the unmistakable stench of partisanship. Their failure to fairly enforce the law runs directly counter to the agency’s mission: The FEC’s Republican Commissioners are damaging, rather than protecting, the integrity of America’s campaign-finance process.

June 15, 2022



Shana M. Broussard
Commissioner

June 15, 2022



Ellen L. Weintraub
Commissioner

³² FEC, “Mission and history,” available at <https://www.fec.gov/about/mission-and-history/>.

³³ Additionally, we offered the Republican Commissioners a compromise solution of merely moving forward with a more limited finding that focused exclusively on the purpose of the payments, as did the recent DNC finding. However, there was insufficient support to move forward with reason to believe findings, a lower threshold than probable cause to believe, for these respondents. *Compare* Cert. at ¶3(May 10, 2022) with Cert., MURs 7291 and 7449 (DNC Services Corp., *et al.*) (Dec. 16, 2021).