

BEFORE THE FEDERAL ELECTION COMMISSION)))
MUR 7833**RESPONSE OF CONGRESSIONAL LEADERSHIP FUND
AND CALEB CROSBY, AS TREASURER**

By and through undersigned counsel, Congressional Leadership Fund and Caleb Crosby, as Treasurer (collectively, “CLF” or “Respondents”), hereby respond to the Complaint in the above-captioned Matter Under Review. We respectfully request that the Commission find there is no reason to believe a violation of the Federal Election Campaign Act (“FECA” or the “Act”) or FEC regulations has occurred, dismiss the Complaint, and close the file as to CLF.

FACTUAL BACKGROUND

CLF is an independent expenditure-only committee. On October 8, 2020, CLF received a \$150,000 contribution from an entity named Montcalm LLC via wire transfer. On October 22, CLF reported the contribution from Montcalm LLC on its 2020 Post General Report—along with an additional \$2.7 million in contributions CLF received in the two-week reporting period.¹ The next day, soon after the Campaign Legal Center released its Complaint in this MUR to the press, a representative of Montcalm LLC provided CLF with written notice that Montcalm LLC’s contribution should have been attributed to Mr. Hendrik G. Meijer, as the sole member of Montcalm LLC, a disregarded entity, and requested that CLF amend its report to reflect this corrected information. CLF amended its report within hours of receiving this information for the

¹ Montcalm LLC’s contribution represents less than 0.1% of the \$131 million in contributions that CLF has received in 2020 to date.

first time,² making the public record complete and accurate well in advance of the November 3 election.

ARGUMENT

The Complaint, which raises allegations under 52 U.S.C. §30122, provides no basis for the Commission to find reason to believe that CLF has violated the law. In fact, the Complaint does not allege—let alone offer any evidence—that CLF knowingly received a contribution in violation of § 30122. To the contrary, CLF followed Commission precedent and promptly amended its report to attribute the contribution it received from Montcalm LLC to the LLC’s sole member, Mr. Meijer, ensuring a complete and accurate public record.

The Complaint does not assert any allegations that CLF has violated the Act or FEC regulations—because it has not. Indeed, the Complaint does not even name CLF as a respondent. The Complaint alleges only that Montcalm LLC may have violated § 30122’s prohibition on contributions in the name of another when Montcalm LLC contributed to CLF on October 8, 2020. Yet a recipient committee violates § 30122 only if it *knowingly* accepted a contribution made in the name of another. *See* 52 U.S.C. § 30122 (“[N]o person shall knowingly accept a contribution made by one person in the name of another person.”); *see also* 11 C.F.R. § 110.4(b)(1)(iv) (“No person shall . . . [k]nowingly accept a contribution made by one person in the name of another.”).

That is not the case here, as there is no claim or evidence in the Complaint that CLF knew of any potential impropriety concerning Montcalm LLC’s contribution at the time it was received. Thus, the Commission must find there is no reason to believe as to CLF. *See, e.g.,* MUR

² CLF’s amended pre-General Report that includes the attribution on pg. 193 is available here: <https://docquery.fec.gov/pdf/232/202010239336506232/202010239336506232.pdf>. CLF also included on page 6 in the amended report miscellaneous text stating that, “[u]pon receipt of written notice from Montcalm LLC, the report is amended to attribute the contribution to the LLC’s sole member: Hendrik G. Meijer” to ensure that the public had ample notice of the information amended in the report and the reason for the amendment.

6485 (W. Spann.), First General Counsel's Report at 16 (recommending Commission find no RTB where there was no information in the complaint to suggest that when the recipient committee received the contribution, it was aware of any impropriety).

Furthermore, immediately upon receipt of notification from Montcalm LLC's representative, CLF followed FEC precedent and clarified the public record by attributing the contribution to Montcalm LLC's sole member in accordance with the attribution rules at 11 C.F.R. §110.1(g). Just as the controlling Commissioners recognized in MURs 7031& 7034 (Children of Israel)—where a recipient committee similarly had filed an amended report attributing an LLC contribution—any further enforcement action here “would vindicate no public informational interest.” MURs 6969, 7031, 7034, Statement of Reasons of Commissioners Hunter and Petersen at 7–8. CLF has complied with the law and ensured a complete and accurate public record, and there is simply nothing to be gained by the Commission taking any further action against CLF in this matter.

CONCLUSION

For the foregoing reasons, Respondents respectfully request that the Commission find there is no reason to believe a violation has occurred, dismiss this matter, and close the file.

Respectfully submitted,



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