

1 **FEDERAL ELECTION COMMISSION**

2 **FIRST GENERAL COUNSEL'S REPORT**

3 **MUR 7833**

4 COMPLAINT FILED: Oct. 23, 2020

5 NOTIFICATION DATE: Oct. 29, 2020

6 LAST RESPONSE: October 8, 2021

7 ACTIVATION DATE: July 14, 2021

8
9 STATUTE OF LIMITATIONS: Oct. 8, 2025

10 ELECTION CYCLE: 2020

11 **COMPLAINANT:**

Campaign Legal Center

12 **RESPONDENTS:**

13 Montcalm LLC

14 Hendrik G. Meijer

15 Mark E. Rizik

16 Congressional Leadership Fund and Caleb Crosby

17 in his official capacity as treasurer

18 **RELEVANT STATUTES**

19 **AND REGULATIONS:**

20 52 U.S.C. § 30102

21 52 U.S.C. § 30103

22 52 U.S.C. § 30104

23 52 U.S.C. § 30122

24 11 C.F.R. § 110.1(g)

11 C.F.R. § 110.4(b)

25 **INTERNAL REPORTS CHECKED:**

Disclosure Reports

26 **FEDERAL AGENCIES CHECKED:**

None

27 **I. INTRODUCTION**

28 The Complaint in this matter alleges that, on October 8, 2020, an unknown person used
29 Montcalm LLC (“Montcalm”), a limited liability company formed just 10 days prior, to make a

1 \$150,000 contribution in the name of another to an independent expenditure-only political
2 committee, Congressional Leadership Fund and Caleb Crosby in his official capacity as treasurer
3 (“CLF”), in violation of the Federal Election Campaign Act of 1971, as amended (the “Act”).²
4 The Complaint bases its allegation on the temporal proximity between Montcalm’s formation
5 and the date of contribution, Montcalm’s lack of online presence and business activity, and
6 Montcalm’s address, which it appears to share with the Meijer Foundation.³ The Complaint also
7 alleges that Montcalm violated the Act by failing to register and report as a political committee
8 despite meeting the legal requirements for political committee status.⁴

9 On October 22, 2020, CLF reported the \$150,000 contribution as being made by
10 Montcalm.⁵ One day later, on October 23, 2020, the Complaint was filed with the Commission.⁶
11 Later that same day, CLF amended its disclosure report to attribute the contribution to
12 Montcalm’s single member, Hendrik “Hank” Meijer.⁷

13 In separate Responses, Montcalm and CLF both state that, after receiving the Complaint
14 and press inquiries regarding the contribution, Montcalm informed CLF that the \$150,000
15 contribution was attributable to Meijer as Montcalm’s sole member, and that CLF amended its

² Compl. ¶¶ 2, 5-6, 14-16, Ex. A (Oct. 23, 2020).

³ *Id.* ¶¶ 5-6 & n. 2, 8, 13.

⁴ *Id.* ¶¶ 3, 17-24.

⁵ CLF, 2020 12-Day Pre-General Report at 192 (Oct. 22, 2020), <https://docquery.fec.gov/pdf/227/202010229336412227/202010229336412227.pdf>.

⁶ Compl. at 1 (reflecting receipt date of October 23, 2020).

⁷ CLF, Amended 2020 12-Day Pre-General Report at 193 (Oct. 23, 2020), <https://docquery.fec.gov/pdf/232/202010239336506232/202010239336506232.pdf>. Meijer was not initially notified as a respondent, but was subsequently provided notice of the Complaint and an opportunity to respond after it became apparent that his activities may have fallen within the scope of the alleged violations. *See* Compl. Notif. Letter to Hendrik G. Meijer (Sept. 2, 2021). Meijer filed a Response which “adopts and incorporates” Montcalm’s Response and summarizes the arguments therein. Meijer Resp. (Oct. 8, 2021).

1 disclosure report accordingly.⁸ While Montcalm acknowledges that, “[o]n October 8, 2020,
2 Montcalm contributed \$150,000 to CLF using capital provided by Mr. Meijer,”⁹ it argues that it
3 did not make a contribution in the name of another and merely failed to disclose the identity of
4 its single member at the time of making the contribution.¹⁰

5 As explained below, the overall record in this matter supports the conclusion that Meijer
6 made, and that Montcalm knowingly permitted its name to be used to effect, a contribution in the
7 name of another. Montcalm acknowledges that Meijer provided the funds used to make the
8 contribution, and the available information suggests that the funds were provided for that specific
9 purpose. In addition, the available facts suggest that, when Montcalm transmitted the
10 contribution via a wire transfer to CLF, the wire transfer provided Montcalm’s name with no
11 mention of Meijer.¹¹ Thus, it appears that Meijer was the true source of the contribution
12 purportedly made in Montcalm’s name, and Montcalm should have disclosed Meijer’s identity as
13 the true contributor at the time of making the contribution. Accordingly, we recommend that the
14 Commission find reason to believe that Meijer violated 52 U.S.C. § 30122 by making a
15 contribution in the name of another and reason to believe that Montcalm violated 52 U.S.C.
16 § 30122 by knowingly permitting its name to be used to effect such a contribution. Because an
17 investigation does not appear necessary to substantiate these violations, we also recommend that
18 the Commission authorize pre-probable cause conciliation (“PPCC”) with Meijer and Montcalm.

⁸ Montcalm Resp. at 2 (Dec. 15, 2020); CLF Resp. at 1-2 (Dec. 15, 2020).

⁹ Montcalm Resp. at 2.

¹⁰ *Id.* at 3-6.

¹¹

1

2

3

4

5

6 However, the extent of CLF's knowledge is unclear. Therefore, we recommend that
7 the Commission find reason to believe that CLF violated 52 U.S.C. § 30122 by knowingly
8 accepting a contribution made in the name of another, and authorize the use of compulsory
9 process to complete the record.

10 We recommend that the Commission find no reason to believe that Mark E. Rizik,
11 Montcalm's organizer and registered agent, violated 52 U.S.C. § 30122 by making contributions
12 in the name of another and no reason to believe that he violated 52 U.S.C. §§ 30102, 30103, or
13 30104 by failing to register Montcalm as a political committee and submit the corresponding
14 disclosure reports for political committees. We also recommend that the Commission find no
15 reason to believe that Montcalm violated 52 U.S.C. §§ 30102, 30103, or 30104 by failing to
16 register and report as a political committee.

17 **II. FACTUAL BACKGROUND**

18 Montcalm is a limited liability company ("LLC") formed in Michigan on September 28,
19 2020, and its registered agent and organizer is Mark E. Rizik.¹⁴ Rizik provided a sworn affidavit
20 stating that he organized Montcalm on behalf of a client, Greenville Partners LLC, "to be used

¹⁴ Compl., Ex. A (reflecting Montcalm's articles of organization).

1 for various business purposes.”¹⁵ Montcalm has a single natural person member, Hendrik
2 Meijer, and is a disregarded entity for federal tax purposes.¹⁶ Hendrik Meijer is the father of
3 Peter Meijer, who was a candidate in Michigan’s 3rd Congressional District during the relevant
4 period.¹⁷

5 CLF is a hybrid political committee with a non-contribution account that registered with
6 the Commission on October 24, 2011.¹⁸ Its current treasurer is Caleb Crosby.¹⁹ During the
7 events at issue here, it was an independent expenditure-only political committee (“IEOPC”).²⁰

8
9
10
11
12

¹⁵ Mark E. Rizik Resp., Ex. A ¶¶ 3, 5 (Dec. 14, 2020) (“Rizik Aff.”). Rizik states that he is an attorney who specializes in tax and business law, and avers that he “understood the creation of Montcalm LLC to be for purposes other than federal political contributions” and was “unaware of any discussion or plans involving the potential use of Montcalm LLC for any federal political contributions.” *Id.* ¶¶ 2, 6.

¹⁶ Montcalm Resp. at 2. A “disregarded entity,” in the context of a single-member LLC that does not elect to be treated as a corporation, is an LLC whose taxable activities are reflected on its owner’s federal tax return. *Single Member Limited Liability Companies*, INTERNAL REVENUE SERVICE, <https://www.irs.gov/businesses/small-businesses-self-employed/single-member-limited-liability-companies> (last visited Dec. 22, 2023).

¹⁷ *2020 Michigan U.S. House – District 3 Republican Primary Results*, THE DETROIT NEWS (Aug. 6, 2020), <https://www.detroitnews.com/elections/results/race/2020-08-04-house-R-MI-23754/>. Peter Meijer ultimately won the general election in Michigan’s 3rd Congressional District for the 2021-2022 term.

¹⁸ CLF, Amended Statement of Organization at 5 (Dec. 18, 2020), <https://docquery.fec.gov/pdf/010/202012189393370010/202012189393370010.pdf>; CLF, Statement of Organization at 2 (Oct. 24, 2011), <https://docquery.fec.gov/pdf/996/11030681996/11030681996.pdf>.

¹⁹ CLF, Amended Statement of Organization at 3 (Feb. 1, 2023), <https://docquery.fec.gov/pdf/647/202302019578112647/202302019578112647.pdf>.

²⁰ See CLF, Statement of Organization at 1 (Oct. 24, 2011), <https://docquery.fec.gov/pdf/996/11030681996/11030681996.pdf> (explaining that it intends to raise unlimited funds to make independent expenditures only).

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

On October 8, 2020, “CLF received a \$150,000 contribution from an entity named Montcalm LLC via a wire transfer.”²⁶

On October 9, 2020, the day after CLF received the contribution, it began making independent expenditures opposing Hillary Scholten, Peter Meijer’s opponent in the general election.²⁸ Neither CLF nor Montcalm have provided any other information regarding how this contribution was sent or received, or what other information was included with the wiring of the contribution.

²⁶ CLF Resp. at 1;

²⁸ *FEC Independent Expenditures: Filtered Results*, FEC.GOV, https://www.fec.gov/data/independent-expenditures/?data_type=processed&q_spender=C00504530&is_notice=false&most_recent=true&candidate_office_state=MI&candidate_office_district=03&min_date=01%2F01%2F2019&max_date=12%2F31%2F2020 (last visited Dec. 22, 2023) (reflecting CLF’s independent expenditures addressing Michigan’s 3rd Congressional District during the 2020 election cycle); *see also* Compl. ¶ 7.

1
2
3
4
5
6
7
8
9
10
11
12
13

On October 22, 2020, CLF filed its 2020 12-Day Pre-General report stating that the \$150,000 contribution was from Montcalm with no mention of Meijer.³³ The next day, on October 23, 2020, the Complaint in this matter was filed and released to the public.³⁴ Members of the press contacted Montcalm regarding its contribution.³⁵ Montcalm states that after it received press inquiries about the contribution to CLF, it conferred with Meijer's business associates as well as CLF, and then informed CLF that the contribution was attributable to Meijer as Montcalm's sole member.³⁶ Upon receiving the information from Montcalm, CLF

³³ CLF, 2020 12-Day Pre-General Election Report at 192 (Oct. 22, 2020), <https://docquery.fec.gov/pdf/227/202010229336412227/202010229336412227.pdf>.

³⁴ Compl. at 1, also available at <https://campaignlegal.org/sites/default/files/2020-10/10-23-20%20Montcalm%20LLC%20%28final%20signed%29.pdf>; see also Melissa Nann Burke, *Meijer Family Accused of Ties to 'Straw Donor' Scheme; Paperwork Issue Blamed*, THE DETROIT NEWS, Oct. 25, 2020, <https://www.detroitnews.com/story/news/politics/2020/10/24/meijer-family-accused-ties-straw-donor-scheme-paperwork-blamed/3733858001/> (noting that the Complaint was filed on October 23, 2020, with a public link to the Complaint).

³⁵ Montcalm Resp. at 2 (stating that CLF reported the \$150,000 contribution on October 22, 2020, and “[o]ne day later, . . . Montcalm received press inquiries about the disclosures.”); see Melissa Nann Burke, *Meijer Family Accused of Ties to 'Straw Donor' Scheme; Paperwork Issue Blamed*, THE DETROIT NEWS, Oct. 25, 2020, <https://www.detroitnews.com/story/news/politics/2020/10/24/meijer-family-accused-ties-straw-donor-scheme-paperwork-blamed/3733858001/> (reporting that a “spokesman for the Meijer family attributed the problem to a paperwork issue that’s since been corrected”).

³⁶ Montcalm Resp. at 2; see also CLF Resp. at 1.

1 amended its 2020 12-Day Pre-General Election Report later that day attributing the \$150,000
2 contribution to Meijer as the sole member of Montcalm.³⁷

3
4
5
6
7 According to Montcalm, it “contributed \$150,000 to CLF using capital provided by Mr.
8 Meijer.”⁴⁰ In addition, there appears to be no publicly available information indicating that
9 Montcalm engaged in any activity during the 10 days between the date of its formation and the
10 date it purported to make the \$150,000 contribution to CLF, nor has Montcalm represented that it
11 engaged in any particular activity. This contribution, along with another \$100,000 contribution
12 to CLF made on October 23, 2020, which was accompanied by information that Meijer was its
13 sole owner and attributed to Meijer by CLF, appear to be the only federal contributions ever
14 reported as having been made by Montcalm.⁴¹

³⁷ Montcalm Resp. at 2; CLF Resp. at 1-2; *see also* CLF, Amended 2020 12-Day Pre-General Report at 193 (Oct. 23, 2020), <https://docquery.fec.gov/pdf/232/202010239336506232/202010239336506232.pdf>.

⁴⁰ Montcalm Resp. at 2.

⁴¹ *FEC Individual Contributions: Filtered Results*, FEC.GOV, https://www.fec.gov/data/receipts/individual-contributions/?contributor_name=Montcalm+LLC&contributor_name=Montcalm%2C+LLC (last visited Dec. 22, 2023) (reflecting contributions made by either “Montcalm LLC” or “Montcalm, LLC”); Montcalm Resp. at 2; CLF, 2020 Amended 30-Day Post-General Report at 367 (Jan. 27, 2021), <https://docquery.fec.gov/pdf/166/202101279413459166/202101279413459166.pdf>.

1 **III. LEGAL ANALYSIS**

2 **A. Contributions in the Name of Another**

3 1. No Person May Furnish Another Person with Funds for the Purpose of
 4 Making a Political Contribution

5 The Act prohibits a person from making a contribution in the name of another person,
 6 knowingly permitting his or her name to be used to effect such a contribution, or knowingly
 7 accepting such a contribution.⁴² A contribution includes “any gift, subscription, loan, advance,
 8 or deposit of money or anything of value made by any person for the purpose of influencing any
 9 election for Federal office.”⁴³ The term “person” for purposes of the Act and Commission
 10 regulations includes individuals, partnerships, corporations, and “any other organization or group
 11 of persons.”⁴⁴ The Commission has included in its regulations illustrations of activities that
 12 constitute making a contribution in the name of another:

- 13 (i) Giving money or anything of value, all or part of which was
 14 provided to the contributor by another person (the true contributor)
 15 without disclosing the source of money or the thing of value to the
 16 recipient candidate or committee at the time the contribution is
 17 made; or
- 18 (ii) Making a contribution of money or anything of value and
 19 attributing as the source of the money or thing of value another
 20 person when in fact the contributor is the source.⁴⁵

21 Because the purpose of the Act's disclosure requirements is to, among others, reveal the
 22 true source from which a contribution to a candidate or committee originates, regardless of the

⁴² 52 U.S.C. § 30122; *see also* 11 C.F.R. § 110.4(b).

⁴³ 52 U.S.C. § 30101(8)(A).

⁴⁴ *Id.* § 30101(11); 11 C.F.R. § 100.10.

⁴⁵ 11 C.F.R. § 110.4(b)(2)(i)-(ii).

1 mechanism by which the funds are transmitted,⁴⁶ the Commission examines the structure of the
 2 transaction itself and the arrangement between the parties to determine who in fact “made” a
 3 given contribution. The Commission and the D.C. Circuit have found that Section 30122’s
 4 prohibition of contributions in the name of another applies to LLCs — such that an LLC cannot
 5 be used as a “straw donor” to transmit the funds of another but must instead be the true source of
 6 any contribution it purports to make.⁴⁷

7 2. The Commission Should Find Reason to Believe that Hendrik Meijer
 8 Provided Funds to Montcalm to Make a Contribution in Montcalm’s
 9 Name

10 In prior matters, the Commission has found reason to believe that a contribution was in
 11 the name of another where the available information indicates that another person provided the
 12 funds for the purpose of making a contribution and his or her identity was not disclosed to the
 13 recipient committee or candidate at the time of the contribution.⁴⁸ Absent direct evidence as to
 14 the purpose of providing the funds, the Commission considers the overall record to determine its

⁴⁶ See *Campaign Legal Ctr. v. FEC*, 952 F.3d 352, 354 (D.C. Cir. 2020) (“As the Supreme Court has repeatedly declared, the electorate has an interest in knowing where political campaign money comes from and how it is spent by the candidate. To that end, the [Act] imposes disclosure requirements on those who give and spend money to influence elections. The straw donor provision, 52 U.S.C. § 30122, is designed to ensure accurate disclosure of contributor information.”) (internal citations and quotation marks omitted).

⁴⁷ Factual & Legal Analysis (“F&LA”) 5-7, MUR 7903 (Tomfoolery, LLC, *et al.*) (finding reason to believe that a single member LLC was used as a straw donor to make a contribution in violation of 52 U.S.C. § 30122 where the source of the funds underlying the contribution did not come from the LLC); *Campaign Legal Ctr.*, 952 F.3d at 357 (“The controlling commissioners did not dispute that [52 U.S.C.] § 30122 applies to closely held corporations and corporate LLCs. *We agree that it does.*”) (emphasis added). The Court nevertheless held that the Commission’s dismissal of several matters involving alleged LLC conduits — based on the rationale that the matters presented an issue of first impression, which raised fair notice and due process concerns — was reasonable. *Campaign Legal Ctr.*, 952 F.3d at 357-58.

⁴⁸ See, e.g., F&LA at 5, MUR 7903 (“[T]he contributions made in Tomfoolery’s name were, in fact, actually made by Thomas A. Chavez, when Chavez furnished Tomfoolery with funds for the purpose of having the LLC make the contributions”); F&LA at 1-2, MUR 6920 (American Conservative Union) (finding reason to believe that the organization made a contribution in the name of another where it stated in an amended tax filing that it merely delivered the contribution upon receipt of the funds from another person); see also 11 C.F.R. § 110.4(b)(2)(i)-(ii).

1 purpose. In the context of contributions made by LLCs, the Commission has addressed
2 whether the LLC “had the means to make the contribution absent an infusion of funds provided
3 for that purpose,” the “temporal proximity between the LLC’s formation date and the
4 contribution,” “the amount of the contribution relative to [the LLC’s] other activities, the LLC’s
5 known activities prior to making the contribution, and whether any other information suggests an
6 attempt to circumvent the Act’s disclosure requirements.”⁵⁰

7 Here, the overall record in this matter indicates that the \$150,000 contribution made in
8 Montcalm’s name was made in the name of another and that Meijer was the true source of the
9 contribution. As an initial matter, Montcalm admits that the \$150,000 it used to make the
10 contribution to CLF came from Meijer. In its Response, Montcalm states: “On October 8, 2020,
11 Montcalm contributed \$150,000 to CLF using capital provided by Mr. Meijer.”⁵¹

12

13

50

see also F&LA at 11, MUR 7464 (LZP, LLC) (explaining that the two days between the LLC’s formation and its contribution, in conjunction with the absence of any public information of the LLC’s activities other than making the contribution, indicated that funds were provided to the LLC for the purpose of making a contribution). The Commission ultimately split 3-3 in its votes to find probable cause and to dismiss the allegations that the LLC in MUR 7464 made a contribution in the name of another. Certification (“Cert.”) ¶¶ 1-2 (Apr. 6, 2023), MUR 7464 (LZP, LLC, *et al.*).

⁵¹ Montcalm Resp. at 2.

1 received two contributions attributed to Meijer during the 2020 election cycle, and both were
2 through Montcalm.⁵⁶ As mentioned above, in its Response, Montcalm states that “[o]n October
3 8, 2020, Montcalm contributed \$150,000 to CLF using capital provided by Mr. Meijer.”⁵⁷
4 Montcalm then states, “Mr. Meijer, through Montcalm, made a *second contribution* to CLF on
5 October 23, 2020.”⁵⁸ By characterizing Meijer as having made a second contribution through
6 Montcalm, Montcalm appears to implicate Meijer as having made the prior contribution on
7 October 8, 2020.⁵⁹

8
9 Given the short temporal proximity between
10 the communication and the creation of Montcalm, and the subsequent events of Meijer
11 transferring funds into Montcalm which were then used to make a contribution to CLF, it is
12 likely that Meijer carried out his intent to contribute to CLF through Montcalm.

⁵⁶ CLF, 2020 Amended 30-Day Post-General Report at 367 (Jan. 27, 2021), <https://docquery.fec.gov/pdf/166/202101279413459166/202101279413459166.pdf> (reflecting an October 23, 2020 contribution from Montcalm to CLF and attributed to Meijer); CLF, 2020 Amended 12-Day Pre-General Report at 193, <https://docquery.fec.gov/pdf/491/202101279413458491/202101279413458491.pdf> (reflecting an October 8, 2020 contribution from Montcalm to CLF and attributed to Meijer).

⁵⁷ Montcalm Resp. at 2.

⁵⁸ *Id.*

⁵⁹ Montcalm's Response states that “Meijer's business associates made clear to CLF that the contribution should be attributed to Mr. Meijer as the sole owner of Montcalm.” Montcalm Resp. at 2. This appears to mischaracterize the second contribution as originating from Montcalm's funds, rather than coming from Meijer's personal funds. While the attribution to Meijer arguably mitigates the impact of the misrepresentation by linking Meijer to the contribution, it raises a question as to whether this second contribution would constitute an additional contribution in the name of another. Given overall circumstances, however, as well as the limited information regarding the communication that led to some manner of attributed reporting, we make no recommendations as to this second contribution.

1 Montcalm nevertheless argues that it did not permit its name to be used to effect a
2 contribution made in the name of another because there is only one “person” involved in the
3 making of the contribution.⁶¹ According to Montcalm, “[m]aking a contribution in the name of
4 another requires two persons — one to make the contribution and another who is the ‘true
5 contributor’ on whose behalf the contribution is made.”⁶² Noting that the Commission’s
6 regulations provide that contributions by LLCs like Montcalm — an LLC with a single natural
7 person member that does not elect to be taxed as a corporation — are attributable only to their
8 single member, Montcalm argues that it is merely the alter ego of its single member, Meijer,
9 rather than a separate person.⁶³ To the contrary, courts have explained that a contribution in the
10 name of another does not require two persons because a person may violate section 30122 by
11 providing a false name, including one that is fictional.⁶⁴ Moreover, the Act provides that an LLC
12 is a legally distinct “person” that may make contributions.⁶⁵ Indeed, in MUR 7903 (Tomfoolery,
13 LLC, *et al.*), the Commission found reason to believe that a single-member LLC and its sole

⁶¹ Montcalm Resp. at 1, 4-5.

⁶² *Id.* at 4.

⁶³ *Id.* at 5 (citing 11 C.F.R. § 110.1(g)(4)).

⁶⁴ *Boender*, 649 F.3d at 660 (“[T]oday we join the Ninth Circuit in holding that § 441f [now § 30122] unambiguously proscribes straw man, as well as false name, contributions.”); *O’Donnell*, 608 F.3d at 548–49 (holding that providing a false name, which occurs when a person “represents that the contribution is from another person who may be real or fictional, with or without obtaining that person’s consent,” violates 2 U.S.C. § 441f (now designated at 52 U.S.C. § 30122)).

⁶⁵ See 52 U.S.C. § 30101(8) (including “corporation” in the definition of “person”); 11 C.F.R. § 110.1(g) (providing the various ways that contributions from LLCs should be attributed);

1 member violated 52 U.S.C. § 30122 where the LLC made a straw donor contribution using funds
2 provided by its sole member for that purpose.⁶⁶

3 Montcalm also contends that the Commission should dismiss the matter because it
4 disclosed the “relevant information” regarding “the identity of Montcalm’s single member, Mr.
5 Meijer, in connection with one contribution” only one day after CLF filed its initial 2020 12-Day
6 Pre-General Election Report and before the relevant election.⁶⁷ In support of its argument that
7 the matter should be dismissed because Meijer’s identity was ultimately disclosed to the public,
8 Montcalm cites various Statements of Reasons and *Campaign Legal Ctr. v. FEC*, 245 F. Supp.
9 3d 119, 125 (D.D.C. 2017).⁶⁸

10 As an initial matter, the record does not indicate that Montcalm ever disclosed to CLF the
11 “relevant information” — that Meijer is not just its single member, but also the true source of the
12 funds underlying the contribution.⁶⁹ In addition, the Statements of Reasons cited by Montcalm
13 were not supported by four or more Commissioners. Furthermore, they noted other factors in
14 favor of dismissal not present here, namely: that the regulated community did not have prior
15 notice that individuals could violate 52 U.S.C. § 30122 by making contributions in the name of

⁶⁶ F&LA at 5-7, MUR 7903; *see also Campaign Legal Ctr.*, 952 F.3d at 357 (agreeing that 52 U.S.C. § 30122 applies to closely held corporations and corporate LLCs).

⁶⁷ Montcalm Resp. at 3-4.

⁶⁸ *Id.* at 4 (citing Statement of Reasons (“SOR”), Comm’rs Petersen, Hunter, & Goodman at 13 n.70, MUR 6485 (W Spann LLC, *et al.*), *et al.* (Apr. 1, 2016), SOR, Comm’rs Hunter & Petersen at 13, MURs 7014, 7017, 7019, & 7090 (DE First Holdings, *et al.*), *et al.*, SOR, Comm’rs Hunter & Petersen at 7-8, MUR 6969 (MMWP12 LLC, *et al.*), MURs 7031 & 7034 (Children of Israel, *et al.*), and *Campaign Legal Ctr. v. FEC*, 245 F. Supp. 3d 119, 125 (D.D.C. 2017)).

⁶⁹ *Compare* Montcalm Resp. at 2 (“Meijer was disclosed as the single member of Montcalm only one day after this information would have otherwise become a matter of public record”), *with* SOR, Comm’rs. Hunter & Petersen at 13, MUR 7014, *et al.* (DE First Holdings, *et al.*), *et al.* (noting that “Garipalli asked Coalition for Progress to update its disclosure reports to reflect that he, and not DE First, made a contribution” as a factor towards dismissing the allegations).

1 their closely held corporations and corporate LLCs,⁷⁰ and that the regulated community did not
2 have prior notice that the LLC attribution rules at 11 C.F.R § 110.1(g) applied to IEOPCs.⁷¹ In
3 contrast, here, not only did Montcalm have ample notice of the various Statements of Reasons
4 explaining that its conduct would be prohibited by 52 U.S.C. § 30122,⁷²

5
6 Finally, while Montcalm also cites to *Campaign Legal Ctr. v. FEC*, 245 F. Supp. 3d
7 119, 125 (D.D.C. 2017), that opinion is inapposite as it addresses a complainant's standing to
8 challenge the Commission's dismissal of the matters.⁷⁴

9 The overall record in this matter thus supports the conclusion that Meijer was the true
10 source of the \$150,000 contribution made in Montcalm's name and that Montcalm failed to
11 disclose Meijer's identity as the true source when it made the contribution. Accordingly, we
12 recommend that the Commission find reason to believe that Meijer made a contribution in the
13 name of another in violation of 52 U.S.C. § 30122, and reason to believe that Montcalm
14 knowingly permitted its name to be used to effect such a contribution in violation of 52 U.S.C.
15 § 30122.⁷⁵

⁷⁰ SOR, Comm'rs. Hunter & Petersen at 10-13, MURs 7014, *et al.* (DE First Holdings, *et al.*), *et al.*; SOR, Comm'rs. Petersen, Hunter, & Goodman at 13-14, MUR 6485 (W Spann LLC, *et al.*), *et al.* (Apr. 1, 2016).

⁷¹ SOR, Comm'rs. Hunter & Petersen at 1-2, 5-7, MUR 6969 (MMWP12 LLC, *et al.*), MURs 7031 & 7034 (Children of Israel, LLC, *et al.*) (explaining that these matters presented novel issues as the LLCs identified in the complaints did not opt to be taxed like corporations and IEOPCs can accept both corporate contributions and contributions in unlimited amounts).

⁷² *See supra* note 70.

⁷⁴ *Campaign Legal Ctr. v. Fed. Election Comm'n*, 245 F. Supp. 3d 119, 123 (D.D.C. 2017).

⁷⁵ *See* F&LA at 5-7, MUR 7903 (finding reason to believe that an LLC and its single member violated 52 U.S.C. § 30122 where the LLC made a straw donor contribution using funds provided to it for that purpose from its single member).

1 3. The Commission Should Find Reason to Believe that CLF Knowingly
2 Accepted a Contribution Made in the Name of Another

3 Although the Commission has not defined the word “knowingly” at 52 U.S.C. § 30122,
4 in past matters it has found reason to believe that a person knowingly accepted a contribution
5 made in the name of another where the available information indicates that the recipient was
6 aware that the purported contributor may not have been the true source of the contribution.
7 Specifically, in MUR 5305, the Commission addressed a conduit reimbursement scheme where
8 the candidate personally accepted contributions at various business locations pursuant to a call
9 from the owner or other employees.⁷⁶ The Commission further noted that the conduit
10 contributors submitted occupation information, revealing that some of the purported contributors
11 were lower-level staff and their spouses, and that the candidate was familiar with the owner and
12 his businesses.⁷⁷ The Commission stated that it would be “unlikely” for the candidate to believe
13 that the lower-level staff “had the wherewithal to contribute \$1,000 and sometimes \$2,000 to his
14 congressional campaign committee,” noting that “a number of the employee contributors did not
15 have sufficient funds to cover their contribution checks and required immediate
16 reimbursement.”⁷⁸ Thus, the Commission found reason to believe that the candidate and his
17 principal campaign committee knowingly and willfully violated the Act by knowingly accepting
18 contributions made in the name of another.⁷⁹

⁷⁶ F&LA at 3, MUR 5305 (Dario Herrera, *et al.*).

⁷⁷ *Id.* at 4.

⁷⁸ *Id.*

⁷⁹ *Id.* Ultimately, the Commission took no further action and closed the file as to the candidate and his principal campaign committee where the Office of General Counsel found, through an investigation, that the candidate did not suggest the conduit reimbursement scheme and the scheme’s participants did not discuss it with the candidate. Fifth Gen. Counsel’s Rpt. at 2-3, MUR 5305 (Dario Herrera, *et al.*); Cert. ¶ 1 (Feb. 22, 2006), MUR 5305 (Dario Herrera, *et al.*).

1 In addition, in MUR 5279, the Commission addressed a committee's acceptance of 40
2 checks that were transmitted together on the same day by a corporation.⁸⁰ The Commission
3 stated, "Questions concerning the integrity of the contributions were apparent from the signature
4 on the checks, the corporate name printed on the face of the checks, the reported addresses of the
5 contributors, and the method of delivery."⁸¹ While the committee's assistant treasurer stated that
6 he questioned these contributions, the available information showed that the committee did not
7 take any action to determine their legality.⁸² Noting that the "treasurer accepted bundled checks
8 transmitted by a corporation that were facially questionable" without taking action as required by
9 11 C.F.R. § 103.3(b), the Commission thus found reason to believe that the Committee
10 knowingly accepted a contribution in the name of another.⁸³

11
12
13
14
15

⁸⁰ See F&LA at 2, MUR 5279 (Bradley for President, Inc.); *see also* F&LA at 1-3, MUR 5279 (Charles Kushner) (describing the same checks).

⁸¹ F&LA at 2, MUR 5279 (Bradley for President, Inc.). The Commission further stated, "when a set of contributions is received from a corporation on the same day with the same signature on all identically printed business checks, this should raise some concerns." *Id.* at 3 n.1.

⁸² *Id.* at 3; *see* 11 C.F.R. § 103.3(b)(1) (requiring treasurers who deposit "[c]ontributions that present a genuine question as to whether they were made by corporations, labor organizations, foreign nationals, or Federal contractors . . . [to] make his or her best efforts to determine the legality of the contribution").

⁸³ F&LA at 4 & n.2, MUR 5279 (Bradley for President, Inc.). Ultimately, the Commission did not find that the committee knowingly accepted contributions made in the name of another, and instead entered into a conciliation agreement finding that the committee improperly attributed the contributions in violation of the Commission's regulations concerning partnership contributions, CA ¶ V.1, MUR 5279 (Bradley for President), as an investigation revealed that the funds underlying the contributions generally came out of each named contributor's partnership assets, *see generally* Fourth Gen. Counsel's Rpt., MUR 5279 (Charles Kushner, *et al.*).

1

2

3 Therefore, we recommend that the Commission find reason to believe that CLF and
4 Caleb Crosby in his official capacity as treasurer violated 52 U.S.C. § 30122 by knowingly
5 accepting a contribution made in the name of another and authorize the use of compulsory
6 process to further develop the factual record through an investigation with CLF to determine its
7 knowledge as to the source of the \$150,000 contribution purportedly from Montcalm.

8

9

4. The Commission Should Find No Reason to Believe as to the Allegations
as to Rizik

10 The available record provides no indication that Montcalm's registered agent and
11 organizer, Mark E. Rizik, participated in the relevant categories of statutorily prohibited conduct,
12 since he does not appear to have been either the contributor or the conduit for the contribution at
13 issue.⁹⁵ Rizik also provided a sworn affidavit stating that he was "unaware of any discussion or
14 plans involving the potential use of Montcalm LLC for any federal political contributions."⁹⁶

⁹⁵ 52 U.S.C. § 30122 (prohibiting any person from making, knowingly permitting his name to be used to effect, or knowingly accepting, a contribution in the name of another).

⁹⁶ Rizik Aff. ¶ 6; *see also* Montcalm Resp. at 2 n.5 ("To the best of Montcalm's knowledge, Mark Rizik, who we understand is also a Respondent in this matter, was not involved in the process of making this contribution.").

1
2
3 the available information does not undercut Rizik's assertion that
4 he was unaware of how Montcalm would be used prior to its formation. Moreover, Montcalm's
5 acknowledgement that Meijer was the source of the funds that it sent to CLF would exclude
6 Rizik from being the true source.⁹⁸ Therefore, we recommend that the Commission find no
7 reason to believe that Rizik violated 52 U.S.C. § 30122 by making contributions in the name of
8 another.

9 **B. Political Committee Status**

10 The Act defines a political committee as "any committee, club, association, or other
11 group of persons" that receives aggregate contributions or makes aggregate expenditures in
12 excess of \$1,000 during a calendar year.⁹⁹ Notwithstanding the threshold for contributions and
13 expenditures, an organization is considered a political committee only if its "major purpose is
14 Federal campaign activity (*i.e.*, the nomination or election of a Federal candidate)."¹⁰⁰ Political
15 committees are required to register with the Commission, meet organizational and recordkeeping
16 requirements, and file periodic disclosure reports.¹⁰¹

17 The Complaint alleges that Montcalm was both a conduit for the contribution of another
18 person *and* a political committee that failed to register and report as required. However, by
19 definition, a person can be either a conduit that transmits the contribution of another person, or

⁹⁸ Montcalm Resp. at 2.

⁹⁹ 52 U.S.C. § 30101(4)(A).

¹⁰⁰ Political Comm. Status, 72 Fed. Reg. 5,595, 5,597 (Feb. 7, 2007); *see Buckley v. Valeo*, 424 U.S. 1, 79 (1976); *FEC v. Mass. Citizens for Life, Inc.*, 479 U.S. 238, 262 (1986).

¹⁰¹ *See* 52 U.S.C. §§ 30102, 30103, 30104.

1 the source of that contribution — not both.¹⁰² Because the record indicates that Montcalm
2 merely transmitted Meijer's contributions to CLF, by implication, Montcalm did not make those
3 contributions. Montcalm therefore does not appear to have satisfied the statutory threshold for
4 political committee status. Accordingly, consistent with our recommendation to find reason to
5 believe under section 30122, we recommend that the Commission find no reason to believe that
6 Montcalm violated 52 U.S.C. §§ 30102, 30103, or 30104. We also recommend that the
7 Commission find no reason to believe that Rizik violated 52 U.S.C. §§ 30102, 30103, or 30104
8 by failing to register Montcalm as a political committee and submit the corresponding disclosure
9 reports for political committees.¹⁰³

10

11

12

13

14

15

16

17

¹⁰² *See Campaign Legal Ctr.*, 952 F.3d at 358 (finding that the Commission provided a reasonable basis for its decision to not investigate the allegations that the LLCs were political committees where the Commission found that the LLCs acted as conduits rather than political committees).

¹⁰³ The Complainant's allegations raise the question whether an individual could ever be personally liable under the Act's registration and reporting requirements, but because, as a threshold matter, Montcalm need not register and report as a political committee, the Commission need not consider that question in this matter.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

V. INVESTIGATION

While the current record establishes that CLF accepted a \$150,000 contribution in the name of another, the statute and regulation only impose liability on the part of the receiving committee when such a contribution is “knowingly” accepted.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

While

the Office of General Counsel will seek to obtain these responses and materials via voluntary means, we also recommend that the Commission authorize the use of compulsory process, including the issuance of appropriate interrogatories, document subpoenas, and deposition subpoenas, should that become necessary. The interrogatories and subpoenas would be directed to CLF, as well as its representatives, and to Montcalm, Meijer and their representatives.

VI. RECOMMENDATIONS

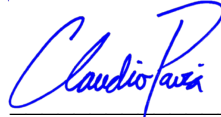
1. Find reason to believe that Hendrik G. Meijer violated 52 U.S.C. § 30122 by making a contribution in the name of another;
2. Find reason to believe that Montcalm LLC violated 52 U.S.C. § 30122 by knowingly permitting its name to be used to effect a contribution in the name of another;
3. Find reason to believe that Congressional Leadership Fund and Caleb Crosby in his official capacity as treasurer violated 52 U.S.C. § 30122 by knowingly accepting a contribution made in the name of another;
4. Find no reason to believe that Mark E. Rizik violated 52 U.S.C. §§ 30102, 30103, 30104, or 30122 by failing to register and report Montcalm LLC as a political committee or by making a contribution in the name of another and close the file as to him;
5. Find no reason to believe that Montcalm LLC violated 52 U.S.C. §§ 30102, 30103, or 30104 by failing to register and report as a political committee;


- 1 6. Approve the attached Factual and Legal Analyses;
- 2 7. Authorize conciliation with Hendrik G. Meijer and Montcalm LLC prior to a
- 3 finding of probable cause to believe;
- 4 8. Authorize the use of compulsory process;
- 5 9. Approve the attached Conciliation Agreement; and
- 6 10. Approve the appropriate letters.


7 Lisa J. Stevenson
8 Acting General Counsel

9 Charles Kitcher
10 Associate General Counsel for Enforcement

11
12 December 22, 2023
13 Date

11 
12 _____
13 Claudio J. Pavia
14 Deputy Associate General Counsel for Enforcement

15
16 
17 _____
18 Mark Shonkwiler
19 Assistant General Counsel

20 
21 _____
22 Jacob Tully
 Attorney

23 Attachments:

- 24
25
26
27 4. Factual and Legal Analysis – Mark E. Rizik

**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

Respondent: Mark E. Rizik

MUR 7833

I. INTRODUCTION

Mark E. Rizik is the organizer and registered agent of Montcalm LLC (“Montcalm”), a limited liability company formed just 10 days prior to making a \$150,000 contribution to an independent expenditure-only political committee (“IEOPC”), Congressional Leadership Fund and Caleb Crosby in his official capacity as treasurer (“CLF”). The Complaint alleges that an unknown person made this contribution in the name of another through Montcalm, which violated the Federal Election Campaign Act of 1971, as amended (the “Act”).¹ The Complaint also alleges that Rizik violated the Act by failing to register and report Montcalm as a political committee despite its meeting the legal requirements for political committee status.²

For the reasons set forth below, the Commission finds no reason to believe that Mark E. Rizik, Montcalm’s organizer and registered agent, violated 52 U.S.C. § 30122 by making contributions in the name of another and no reason to believe that he violated 52 U.S.C. §§ 30102, 30103, or 30104 by failing to register Montcalm as a political committee and submit the corresponding disclosure reports for political committees.

II. FACTUAL BACKGROUND

Mark E. Rizik is the organizer and registered agent of Montcalm, a limited liability company (“LLC”) formed in Michigan on September 28, 2020.³ Rizik provided a sworn affidavit stating that he organized Montcalm on behalf of a client, Greenville Partners LLC, “to

¹ Compl. ¶¶ 2, 5-6, 14-16, Ex. A (Oct. 23, 2020).

² *Id.* ¶¶ 3, 17-24.

³ Compl., Ex. A (reflecting Montcalm’s articles of organization).

1 be used for various business purposes.”⁴ Rizik’s affidavit states that he was “unaware of any
2 discussion or plans involving the potential use of Montcalm LLC for any federal political
3 contributions.”⁵ The available information does not undercut Rizik’s assertion that he was
4 unaware of how Montcalm would be used prior to its formation. Montcalm has a single natural
5 person member, Hendrik Meijer, and is a disregarded entity for federal tax purposes. Hendrik
6 Meijer is the father of Peter Meijer, who was a candidate in Michigan’s 3rd Congressional
7 District during the relevant period.⁶

8 CLF is a hybrid political committee with a non-contribution account that registered with
9 the Commission on October 24, 2011.⁷ Its current treasurer is Caleb Crosby.⁸ During the events
10 at issue here, it was an independent expenditure-only political committee.⁹ On October 22,
11 2020, CLF reported a \$150,000 contribution as being made by Montcalm.¹⁰ One day later, on
12 October 23, 2020, the Complaint was filed with the Commission.¹¹ Later that same day, CLF

⁴ Mark E. Rizik Resp., Ex. A ¶¶ 3, 5 (Dec. 14, 2020) (“Rizik Aff.”). Rizik states that he is an attorney who specializes in tax and business law, and avers that he “understood the creation of Montcalm LLC to be for purposes other than federal political contributions” and was “unaware of any discussion or plans involving the potential use of Montcalm LLC for any federal political contributions.” *Id.* ¶¶ 2, 6.

⁵ Rizik Aff. ¶ 6.

⁶ *2020 Michigan U.S. House – District 3 Republican Primary Results*, THE DETROIT NEWS (Aug. 6, 2020), <https://www.detroitnews.com/elections/results/race/2020-08-04-house-R-MI-23754/>. Peter Meijer ultimately won the general election in Michigan’s 3rd Congressional District for the 2021-2022 term.

⁷ CLF, Amended Statement of Organization at 5 (Dec. 18, 2020), <https://docquery.fec.gov/pdf/010/202012189393370010/202012189393370010.pdf>; CLF, Statement of Organization at 2 (Oct. 24, 2011), <https://docquery.fec.gov/pdf/996/11030681996/11030681996.pdf>.

⁸ CLF, Amended Statement of Organization at 3 (Feb. 1, 2023), <https://docquery.fec.gov/pdf/647/202302019578112647/202302019578112647.pdf>.

⁹ *See* CLF, Statement of Organization at 1 (Oct. 24, 2011), <https://docquery.fec.gov/pdf/996/11030681996/11030681996.pdf> (explaining that it intends to raise unlimited funds to make independent expenditures only).

¹⁰ CLF, 2020 12-Day Pre-General Report at 192 (Oct. 22, 2020), <https://docquery.fec.gov/pdf/227/202010229336412227/202010229336412227.pdf>.

¹¹ Compl. at 1 (reflecting receipt date of October 23, 2020).

1 amended its disclosure report to attribute the contribution to Montcalm’s single member,
 2 Hendrik “Hank” Meijer.¹²

3 **III. LEGAL ANALYSIS**

4 **A. Contribution in the Name of Another**

5 1. No Person May Furnish Another Person with Funds for the Purpose of 6 Making a Political Contribution

7 The Act prohibits a person from making a contribution in the name of another person,
 8 knowingly permitting his or her name to be used to effect such a contribution, or knowingly
 9 accepting such a contribution.¹³ A contribution includes “any gift, subscription, loan, advance,
 10 or deposit of money or anything of value made by any person for the purpose of influencing any
 11 election for Federal office.”¹⁴ The term “person” for purposes of the Act and Commission
 12 regulations includes individuals, partnerships, corporations, and “any other organization or group
 13 of persons.”¹⁵ The Commission has included in its regulations illustrations of activities that
 14 constitute making a contribution in the name of another:

- 15 (i) Giving money or anything of value, all or part of which was
 16 provided to the contributor by another person (the true contributor)
 17 without disclosing the source of money or the thing of value to the
 18 recipient candidate or committee at the time the contribution is
 19 made; or
- 20 (ii) Making a contribution of money or anything of value and
 21 attributing as the source of the money or thing of value another
 22 person when in fact the contributor is the source.¹⁶

¹² CLF, Amended 2020 12-Day Pre-General Report at 193 (Oct. 23, 2020), <https://docquery.fec.gov/pdf/232/202010239336506232/202010239336506232.pdf>.

¹³ 52 U.S.C. § 30122; *see also* 11 C.F.R. § 110.4(b).

¹⁴ 52 U.S.C. § 30101(8)(A).

¹⁵ *Id.* § 30101(11); 11 C.F.R. § 100.10.

¹⁶ 11 C.F.R. § 110.4(b)(2)(i)–(ii).

1 Because the purpose of the Act’s disclosure requirements is to, among others, reveal the
2 true source from which a contribution to a candidate or committee originates, regardless of the
3 mechanism by which the funds are transmitted,¹⁷ the Commission examines the structure of the
4 transaction itself and the arrangement between the parties to determine who in fact “made” a
5 given contribution. The Commission and the D.C. Circuit have found that Section 30122’s
6 prohibition of contributions in the name of another applies to LLCs — such that an LLC cannot
7 be used as a “straw donor” to transmit the funds of another but must instead be the true source of
8 any contribution it purports to make.¹⁸

9 2. Mark E. Rizik

10 The available record provides no indication that Rizik, as Montcalm’s registered agent
11 and organizer, participated in the relevant categories of statutorily prohibited conduct, since he
12 does not appear to have been either the contributor or the conduit for the contribution at issue.¹⁹
13 Rizik also provided a sworn affidavit stating that he was “unaware of any discussion or plans
14 involving the potential use of Montcalm LLC for any federal political contributions.”²⁰ The

¹⁷ See *Campaign Legal Ctr. v. FEC*, 952 F.3d 352, 354 (D.C. Cir. 2020) (“As the Supreme Court has repeatedly declared, the electorate has an interest in knowing where political campaign money comes from and how it is spent by the candidate. To that end, the [Act] imposes disclosure requirements on those who give and spend money to influence elections. The straw donor provision, 52 U.S.C. § 30122, is designed to ensure accurate disclosure of contributor information.”) (internal citations and quotation marks omitted).

¹⁸ Factual & Legal Analysis (“F&LA”) at 5-7, MUR 7903 (Tomfoolery, LLC, *et al.*) (finding reason to believe that a single member LLC was used as a straw donor to make a contribution in violation of 52 U.S.C. § 30122 where the source of the funds underlying the contribution did not come from the LLC); *Campaign Legal Ctr.*, 952 F.3d at 357 (“The controlling commissioners did not dispute that [52 U.S.C.] § 30122 applies to closely held corporations and corporate LLCs. *We agree that it does.*”) (emphasis added). The Court nevertheless held that the Commission’s dismissal of several matters involving alleged LLC conduits — based on the rationale that the matters presented an issue of first impression, which raised fair notice and due process concerns — was reasonable. *Campaign Legal Ctr.*, 952 F.3d at 357-58.

¹⁹ 52 U.S.C. § 30122 (prohibiting any person from making, knowingly permitting his name to be used to effect, or knowingly accepting, a contribution in the name of another).

²⁰ Rizik Aff. ¶ 6.

1 available information does not undercut Rizik’s assertion that he was unaware of how Montcalm
2 would be used prior to its formation. Moreover, after the filing of the Complaint, CLF amended
3 its disclosure report to attribute the contribution to Meijer, showing that Rizik was not the source
4 of the contributed funds. Therefore, the Commission finds no reason to believe that Rizik
5 violated 52 U.S.C. § 30122 by making contributions in the name of another.

6 **B. Political Committee Status**

7 The Act defines a political committee as “any committee, club, association, or other
8 group of persons” that receives aggregate contributions or makes aggregate expenditures in
9 excess of \$1,000 during a calendar year.²¹ Notwithstanding the threshold for contributions and
10 expenditures, an organization is considered a political committee only if its “major purpose is
11 Federal campaign activity (*i.e.*, the nomination or election of a Federal candidate).”²² Political
12 committees are required to register with the Commission, meet organizational and recordkeeping
13 requirements, and file periodic disclosure reports.²³

14 The Complaint alleges that Montcalm was both a conduit for the contribution of another
15 person *and* a political committee that failed to register and report as required. However, by
16 definition, a person can be either a conduit that transmits the contribution of another person, or
17 the source of that contribution — not both.²⁴ Because the record indicates that Montcalm merely
18 transmitted Meijer’s contributions to CLF, by implication, Montcalm did not make those

²¹ 52 U.S.C. § 30101(4)(A).

²² Political Comm. Status, 72 Fed. Reg. 5,595, 5,597 (Feb. 7, 2007); *see Buckley v. Valeo*, 424 U.S. 1, 79 (1976); *FEC v. Mass. Citizens for Life, Inc.*, 479 U.S. 238, 262 (1986).

²³ *See* 52 U.S.C. §§ 30102, 30103, 30104.

²⁴ *See Campaign Legal Ctr.*, 952 F.3d at 358 (finding that the Commission provided a reasonable basis for its decision to not investigate the allegations that the LLCs were political committees where the Commission found that the LLCs acted as conduits rather than political committees).

MUR 7833 (Mark E. Rizik)

Factual & Legal Analysis

Page 6 of 6

1 contributions. Montcalm therefore does not appear to have satisfied the statutory threshold for
2 political committee status. Accordingly, the Commission finds no reason to believe that Rizik
3 violated 52 U.S.C. §§ 30102, 30103, or 30104 by failing to register Montcalm as a political
4 committee and submit the corresponding disclosure reports for political committees.