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March 17, 2023

Roy Lockett, Esq.
 Assistant General Counsel
 Complaints Examination & Legal Administration
 Federal Election Commission
 1050 First Street NE Washington, DC 20463

VIA E-MAIL: cela@fec.gov

Re: MUR 8098: Response for Congressman Cory Mills and Cory Mills for Congress

We write on behalf of Congressman Cory Mills (“Respondent”) and Cory Mills for Congress in response to a complaint (the “Complaint”) filed by Michael Don Johnson (the “Complainant”) on January 5, 2023. The Complaint’s lack of coherence makes it difficult to discern the speculative allegations, but it appears the Complaint includes a series of conspiracy theories, legal conclusions without facts, and allegations outside the scope of the Federal Election Commission’s (the “Commission”) jurisdiction. This complaint should have been rejected on its face because it fails to recite any facts (as opposed to speculation) that describe a violation of a statute or regulation to which the Commission has jurisdiction. 11 C.F.R 111.4.

The Complaint includes: (1) allegations that fall outside of the Commission’s jurisdiction related to the Respondent’s financial disclosures and Payment Protection Program loans; (2) conclusory allegations that the Respondent’s loans to its campaign were from an undisclosed source; (3) allegations based on a misunderstanding (by the Complainant) of the federal government contractor contribution ban; and (4) conclusory allegations the Respondent made excessive contributions. These allegations are speculative and meritless. We respectfully request that the Commission promptly find no reason-to-believe and dismiss this matter.

The majority of the allegations in the Complaint are entirely outside the jurisdiction of the Commission. This includes allegations regarding the timeliness and accuracy of the Respondent’s financial disclosure reports, allegations related to Payment Protection Program loans, allegations related to the Respondent’s businesses, and allegations regarding where Respondent lives.

First, the Complaint appears to question the “true” source of funds for the loans the Respondent made to his campaign by alleging a conspiracy where the funds came from somewhere other than the Respondent’s personal assets. The only support for this allegation is

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the Complainant's vivid imagination. Of course, the source of the Respondent's loans to his campaign was from his personal assets, and the loans were properly disclosed in accordance with Commission regulations.

The Complaint provides zero evidentiary support for its conspiracy theory that the Respondents violated campaign finance law. The only supporting information the Complainant has provided is a convoluted listing of publically available information related to the Respondent's financials. This information is nothing but filler, as none of the information provides any evidentiary support that the Respondent's loans to his campaign were from any source other than its own assets. Further bolstering this point, the Complaint essentially concedes to not possessing any actual evidence by consistently asking rhetorical questions such as "where did he get the money?" and stating it is the Complainant's "belief" that an audit of the Respondent and associated business entities would prove its theory.

As the Commission has long made clear, "[t]he Commission may find 'reason to believe' only if a complaint sets forth sufficient specific facts, which, if proven true, would constitute a violation of the FECA."¹ Unwarranted legal conclusions from asserted facts or mere speculation will not be accepted as true.² Given that the Complainant provides zero specific facts to support its speculative allegations, the Commission should not waste its limited resources investigating this conspiracy theory.

The Complaint includes a section listing various random information about the Respondent and his associated businesses. There is not, however, any recitation of a statute or regulation that may have been violated, or actual facts supporting any potential violation.

From what we can discern, the Complainant may be attempting to make allegations related to the federal government contractor contribution ban. Of course, federal contractors are prohibited from making, directly or indirectly, any contribution or expenditure of money to any political committee or other person for any political purpose or use. 11 C.F.R. 115.2. Importantly, this prohibition does not apply to "the stockholders, officers, or employees of a corporation, the employees, officers, or members of an unincorporated association, cooperative, membership organization, labor organization, or other group or organization which is a Federal contractor from making contributions or expenditures from their personal assets." 11 C.F.R. 115.6.

To be clear, Respondent – as an individual – is not a federal government contractor, and no evidence has been provided to suggest that he is. The Complaint instead references the corporate entity Pacem Solutions International LLC ("Pacem") and the Respondent's ownership

¹ MUR 4960 (Hillary Rodham Clinton For U.S. Senate Exploratory Committee, Inc.), Statement of Reasons of Commissioners David M. Mason, Karl J. Sandstrom, Bradley A. Smith, and Scott E. Thomas at 1.

² Id.

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interest in the company. Even assuming arguendo that the Complaint's insinuations about the Respondent's relationship and ownership interests in Pacem were true, they would still not constitute a violation of the Act because Pacem is a corporate entity distinct from Respondent as an individual. Under Commission regulations, an individual having ownership interests in a corporation that has government contracts does not make that individual become treated as a government contractor and/or cause the government contractor contribution ban to apply to such individual. Given that the Complaint fails to set forth sufficient specific facts, which, if proven true, would constitute a violation of the FECA, this allegation should be dismissed.

Likewise, the allegations of excessive campaign contributions should be dismissed because the contributions in fact did not exceed the limits for the 2022 cycle. The Respondent made four contributions to Laura Loomer for Congress Inc. during the 2022 cycle totaling \$3,650.³ Under FECA and Commission guidance, an individual donor was allowed to give a campaign committee up to \$2,900 per election during the 2021-2022 election cycle. The limits on contributions apply separately to each federal election in which the candidate participates, meaning an individual could give up to \$5,800 for the 2022 cycle. The Respondent's first \$2,900 was properly attributed to the primary election account, and the remaining \$750 was properly attributed to the general election account. In fact, the \$750 attributed to the general election account was refunded.⁴ If the Complainant was able to read Commission reports, this would have been apparent.

In addition, pursuant to Commission regulations and guidance, the burden falls on a recipient campaign to remedy an excessive contribution, not the donor.⁵ The Respondent bears no legal responsibility for the recipient Campaign's independent actions or inactions to abide by FECA or Commission regulations when accepting the Respondent's contribution. Therefore, this allegation also should be dismissed.

³ Individual Contributions, Cory Mills (last accessed March. 6, 2023),

https://www.fec.gov/data/receipts/individual-contributions/?contributor_name=Cory+Mills

⁴ Disbursements, Laura Loomer for Congress INC (Last accessed March 17, 2023),

https://www.fec.gov/data/disbursements/?data_type=processed&committee_id=C00714543&two_year_transaction_period=2022

⁵ 11 C.F.R. § 110.9 (“No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of 11 CFR part 110. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this part 110.”); Federal Election Commission, Remediating an Excessive Contribution, <https://www.fec.gov/help-candidates-and-committees/candidate-taking-receipts/remediating-excessive-contribution/#:~:text=When%20a%20committee%20receives%20an,of%20it%20within%2060%20days.> (“When a committee receives an excessive contribution—one which exceeds the contributor’s limit or the campaign’s net debts outstanding for an election—the committee may remedy the violation by refunding the excessive amount or by seeking a redesignation or reattribution of it within 60 days.”).

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The Complaint – when we give the benefit of doubt to its rambling conspiracy theories – is still based on worst-case speculation absent supporting factual evidence. This fails to provide the facts necessary to meet any standard needed to warrant an investigation and should be promptly dismissed. We respectfully request that the Commission promptly find no reason-to-believe and dismiss this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charlie Spies". The signature is fluid and cursive, with a large initial "C" and "S".

Charlie Spies
Benjamin Mehr
Counsel to Congressman Cory Mills