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August 24, 2023

**MUR 8159**

**VIA FIRST CLASS MAIL**

Office of General Counsel  
Federal Election Commission  
1050 First Street, NE  
Washington, DC 20463

***Re: Complaint against U.S. Representative Val Hoyle***

Dear Federal Election Commission:

Please consider this letter a complaint against U.S. Representative Val Hoyle, for accepting cash contributions in excess of \$100.00, in violation of 11 CFR 110.4. The facts supporting this complaint are provided in the enclosed media reports concerning Representative Hoyle's receipt of donations totaling \$5,800 from Rosa Cazares and Aaron Mitchell in 2022.

Reporting in the enclosed news media stories indicates that at the time of their donations to Hoyle, Mitchell and Cazares were making campaign contributions primarily via cash.

By swearing on this letter, I attest to the truthfulness of its contents. Regarding the enclosed media accounts, I attest that the one that I wrote is truthful. In the case of the third, which I did not write, I have no reason to doubt the truthfulness of its content.

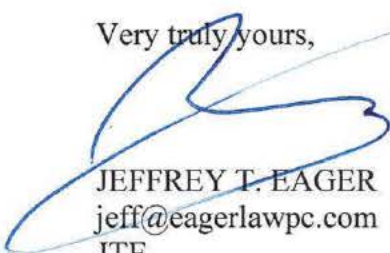
[Signature and notary page to follow]

OFFICE OF GENERAL COUNSEL

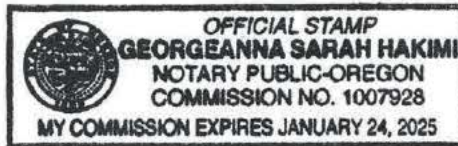
August 24, 2023

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Very truly yours,



JEFFREY T. EAGER  
 jeff@eagerlawpc.com  
 JTE



State of Oregon        } ss  
 County of Deschutes }

On this 24th day of August, 2023, before me, Georgeanna Hakimi, a Notary Public in and for said state, personally appeared before me Jeffrey T. Eager, known or identified to me to be the person whose name is subscribed to the within Instrument and signed and sworn to such Instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

*Georgeanna Sarah Hakimi*  
 Notary Public for the State of Oregon

Residing at: [REDACTED]

Commission Expires: 01-24-2025

*Bead, OR 97707*

## Not according to Hoyle? La Mota owners' funky contributions to U.S. Rep. Val Hoyle

Congresswoman Val Hoyle's campaign reported it received seven separate donations from the cash-friendly owners of La Mota on the same day in 2022. If made in cash, that's a problem for Hoyle.



JEFF EAGER  
JUN 14, 2023



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Share



U.S. Representative Val Hoyle (D-OR) received an unusual number of donations from the owners of cannabis firm La Mota and later supported an illegal grant to a La Mota-affiliated nonprofit.

On April 30, 2022, the campaign of first-term Oregon Congresswoman Val Hoyle, a Democrat, received seven separately reported contributions totaling \$5,800 from the owners of cannabis firm La Mota, according to [federal campaign finance records](#), raising questions about whether Hoyle accepted the donations in cash, which would be a violation of federal campaign finance rules.

Shemia Fagan was forced to resign as Oregon Secretary of State earlier this year because of disclosure of a consulting contract she had executed with a sister company of La Mota, while Fagan's office was completing an audit of state cannabis regulations. Campaign donations from Cazares, Mitchell and La Mota are under intense media scrutiny.



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La Mota and its owners, Rosa Cazares and Aaron Mitchell made many of their voluminous 2022 contributions to Oregon Democrats in bags of cash, according to [Willamette Week](#). The same *WW* story reports Mitchell's attorney claimed in a November 2022 court filing that Mitchell did not even possess bank or credit card accounts in his name.

Federal campaign finance rules [prohibit](#) congressional candidates from receiving more than \$100.00 in cash contributions from any one source. The maximum any individual could lawfully donate in the primary election of 2022 was \$2,900.

Source name	Recipient	Election	State	Receipt date	Amount
CAZARES, ROSA	VAL HOYLE FOR CONGRESS	GENERAL	OR	04/30/2022	\$200.00
CAZARES, ROSA	VAL HOYLE FOR CONGRESS	PRIMARY	OR	04/30/2022	\$800.00
CAZARES, ROSA	VAL HOYLE FOR CONGRESS	PRIMARY	OR	04/30/2022	\$1,000.00
CAZARES, ROSA	VAL HOYLE FOR CONGRESS	PRIMARY	OR	04/30/2022	\$1,000.00

Results per page: 30

Showing 1 to 4 of 4 entries

Source name	Recipient	Election	State	Receipt date	Amount
MITCHELL, AARON	VAL HOYLE FOR CONGRESS	PRIMARY	OR	04/30/2022	\$800.00
MITCHELL, AARON	VAL HOYLE FOR CONGRESS	PRIMARY	OR	04/30/2022	\$1,000.00
MITCHELL, AARON	VAL HOYLE FOR CONGRESS	PRIMARY	OR	04/30/2022	\$1,000.00

Results per page: 30

Showing 1 to 3 of 3 entries

Federal Election Commission records showing seven separate donations from La Mota owners Rosa Cazares and Aaron Mitchell to then-congressional candidate Val Hoyle

The fact of seven separate reported donations from two related donors to the same campaign on the same date is unusual. Federal campaigns are [supposed to](#) report joint donations from married couples as coming from each person in equal amounts. It's *possible* checks from one or more joint Cazares-Mitchell checking accounts or jointly held credit cards explain the two matching \$1,000 contributions and the \$800 matching contribution. But what about the extra \$200 from Cazares, which the campaign attributed to the general rather than the primary

election to keep her under the contribution limit? And, did Mitchell even have checking or credit card accounts in April 2022, considering his lawyer's representation to the contrary seven months later?

Furthermore, consider the \$200 discrepancy in reported donations from Cazares versus Mitchell. The couple presumably intended the total of \$5,800 to be split between them, maximizing the amount they could each legally donate in the primary election, which was mere weeks away at the time. Yet, \$200 more was attributed to Cazares. Is it more likely the \$200 discrepancy arose from errors in check-writing or credit card swiping or someone sticking a \$100 bill in the wrong bag?

If those contributions were made in cash, for example in separate bags from different La Mota retail outlets, Hoyle would have violated the \$100 cash contribution limit. Moreover, if this is what happened, Mitchell and Cazares may have violated federal laws (with which Oregonians are becoming intimately familiar) against misrepresenting the source of the donation and corporate contributions.

To clarify, we don't know whether Cazares or Mitchell made any of the seven separately reported donations in cash. I am speculating based on previous reporting about the La Mota clan's affinity for making cash donations to Oregon Democrats, and the oddly large number of separate donations reported on April 30, 2022. Hoyle has not said publicly in what form the donations were made. She told [KOIN](#) she had, as of May 4, 2023, returned all donations from La Mota's owners.

Cazares's and Mitchell's donations to Hoyle's congressional campaign are just a piece of the relationship between the three. [Willamette Week](#) reported that when Hoyle was Commissioner of the Oregon Bureau of Labor and Industries, the job she held before serving in Congress, but in the thick of her congressional race she helped direct a \$500,000-plus grant to ENDVR, a non-profit corporation co-founded by Cazares and Laura Vega, to help train cannabis workers.

BOLI approved the grant, which Hoyle repeatedly pushed, in August 2022, after Cazares and Mitchell donated to Hoyle's congressional campaign but before the couple became politically toxic. For her part, Vega, Cazares's non-profit cofounder, donated [\\$1,000 to Hoyle's congressional campaign](#), the biggest federal donation Vega has made. That donation was received by the Hoyle campaign just six days before the Cazares/Mitchell donation-o-rama in April 2022.

The kicker: BOLI this year had to revoke the ENDVR grant, and claw back the unspent funds, because it realized after it issued that grant that it was illegal. The grant used federal funds and cannabis remains illegal under federal law.

I'm not even kidding. Welcome to Oregon.

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## La Mota Founders' Campaign Contributions to Kotek and Others: Stacks of Cash

That's not illegal, but it raises questions about accountability and Oregon's permissive campaign finance laws.

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PURPLE STATE: Gov. Tina Kotek on the campaign trail. (Blake Benard)

By Sophie Peel and Nigel Jaquiss

May 10, 2023 at 4:25 pm PDT

The operators of the embattled La Mota cannabis dispensary chain, Rosa Cazares and Aaron Mitchell, made some of their largest campaign contributions to top Democrats in stacks of cash, *WW* has learned—including contributions made to Gov. Tina Kotek and Senate Majority Leader Rob Wagner (D-Lake Oswego).

That's not illegal, according to elections officials, but it is highly unusual. And critics say it compounds another problem with the state's campaign finance laws: Oregon is one of only five states that allows unlimited contributions. That means donors can give limitless contributions that can't be traced.

"While it may be legal, I don't think it's appropriate," says Senate Minority Leader Tim Knopp (R-Bend). "And I think it's troubling that people are taking cash from a cannabis business that is clearly troubled and allegedly owed millions to the state and federal government that allegedly performed services or provided products to them."



As [WW reported in March](#), La Mota and its principals, owner Aaron Mitchell and CEO Rosa Cazares, and a political action committee controlled by Cazares, gave more than \$200,000 in campaign contributions to top Democrats in recent years, including \$68,000 to Kotek, \$10,000 to Wagner, and \$45,000 to former Secretary of State Shemia Fagan, who [resigned last week](#) after *WW* revealed a consulting contract she took with a La Mota affiliate. (All of the recipients are Democrats.)

Campaign managers for Kotek and Wagner confirmed this week that Mitchell and Cazares made their political contributions in currency rather than with checks or credit card payments, as is the norm.

"Campaign staff picked the contributions up at the couple's residence and immediately took the donations to our treasurer," says Kotek's campaign manager, Meghan Cavanaugh.

A Wagner campaign staffer picked up a \$10,000 contribution last October at a Northwest Hills home that the couple was renting. Future PAC, a financing arm for the Oregon House Democrats, says it received its twin \$10,000 contributions from Cazares and Mitchell in cash, too. Oregon Bureau of Labor & Industries Commissioner Christina Stephenson says her campaign received \$4,000 in cash from Cazares in November.

ADVERTISING



Dealing in such large quantities of cash is unusual, even for a cannabis business.

Because of the federal prohibition on cannabis, federally chartered banks have been unwilling to open accounts or provide loans or other services to cannabis companies. But credit unions have stepped into the breach, and now most large cannabis companies have accounts that allow them to make deposits and write checks or transfer money.

The issue for critics: Unlike contributions made via checks or credit cards, cash leaves no paper trail. For campaign finance reformers, that is a big concern.

Small-dollar donors sometimes give cash at campaign events, but Portland lawyer Jason Kafoury, a co-author of state and local campaign finance reforms, says the contributions made by La Mota's principals are unprecedented in his experience.

"I've never heard of cash contributions that large," Kafoury says.



Up Next - Portland's Piercest Advocate for Swimming in the WI...

"When you have physical cash, it's much harder to track and trace the true original source of funding for it," he adds. "democracy to be defined by people that have tens of thousands of dollars in cash to hand to politicians?"

Kafoury says cash can lead to trouble.

"That kind of system allows for political corruption. How do you know that all of the cash went into the campaign acc... Kafoury asks. "If you hand them a check or credit card, you can trace it, it's reportable."



(It appears not all of the La Mota couple's contributions were made in cash. Fagan said the first contribution she received from Mitchell in 2020 was not cash. She doesn't recall the subsequent donations. The Senate Democratic Leadership Fund says Mitchell's \$10,000 contribution to the PAC in 2020 was made with a cashier's check. Moreover, contributions made to Kotek by a political action committee controlled by Cazares were made by check.)

In November 2022 filings in Clackamas County Circuit Court, an attorney representing Mitchell and Cazares in a lawsuit stated in response to opposing counsel's discovery request for the couple's bank account and credit card records that the couple had none. "Defendant Mitchell does not have any bank accounts or credit card accounts," wrote their then-attorney Richard Billin. (The opposing lawyer wrote back that the claim "appears highly dubious on its face.")

According to multiple people who have done cannabis-related business with the couple, however, Mitchell and Cazares almost exclusively paid for products in cash.

Knopp wants to put an end to large cash contributions. He says he has asked the Legislative Counsel's Office to draft a bill that would align Oregon law with federal law, which limits cash contributions to \$100 or less.

Knopp is not accusing any candidate of pocketing contributions, but he says that stacks of cash are just a bad way to fund campaigns.

"There's no way the public could know if it was \$5,000 or \$10,000 or \$20,000," he says. "And when you have an elected official who is in personal financial crisis, the temptation could be too great."

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