



February 22, 2018

Submitted via U.S.P.S.

Federal Election Commission
Lisa J. Stevenson, Acting General Counsel
999 E Street, NW
Washington, D.C. 20463

Caroline F. Fawkes
Supervisor, Elections System of the Virgin Islands
P.O. Box 6038
St. Thomas, U.S. Virgin Islands 00801

Hon. Claude Earl Walker, Esq.
Attorney General
Department of Justice
34-38 Kronprindsens Gade
GERS Building, 2nd Floor
St. Thomas, U.S. Virgin Islands 00802

RE: Republican Party of the Virgin Islands

Dear Ms. Stevenson, Ms. Fawkes, and Mr. Walker:

Campaign Legal Center (“CLC”) writes to each of your respective agencies regarding apparent campaign finance violations by the federal or territorial committees of the Virgin Islands Republican Party.

On March 30, 2017, Secretary of the U.S. Department of the Interior Ryan Zinke appeared at a fundraiser for what his official calendar described as a “Virgin Islands GOP Event,” where multiple individuals apparently contributed thousands of dollars for the privilege of a photograph with the Secretary. Although there are many indications that this event was a fundraiser for the Virgin Islands GOP’s federal committee, that committee has failed to report any contributions from the

event to the Federal Election Commission (FEC); and although the Virgin Islands GOP later claimed the fundraiser was for its territorial committee, that committee has never filed a single campaign finance report with the Virgin Islands Elections System, and many contributions received at the fundraiser would have exceeded territorial contribution limits. In either case, the public remains entirely in the dark about which donors paid thousands of dollars to buy access to Secretary Zinke.

CLC asks that the FEC, the Elections System of the Virgin Islands, and the Office of the Attorney General of the Virgin Islands¹ investigate this matter and take appropriate action.

Factual Background

The Virgin Islands Republican Party (“federal VIGOP”) is a federal committee (ID: C00553560) whose statement of organization filed with the FEC describes it as a state committee of the Republican Party.² Separately, according to the Virgin Islands Election System website, the Republican Party of the Virgin Islands (“territorial VIGOP”) is one of three “established political parties in the Virgin Islands.”³ However, there is no record of the territorial VIGOP having registered as a political committee with the Virgin Islands Elections System. Both the federal VIGOP and the territorial VIGOP list the same address.⁴

On March 30, 2017, Interior Secretary Ryan Zinke appeared at a fundraiser for what has been described as the Virgin Islands Republican Party while he was in the territory for an official trip.⁵ Secretary Zinke’s official calendar describes it as a “Virgin Islands GOP Event.”⁶

According to *POLITICO*, which obtained a copy of an invitation to the event:

Tickets for the fundraiser ranged from \$75 per person to as much as \$5,000 per couple to be an event “Patron,” according to Zinke's official calendar and a

¹ Among the Elections Supervisor’s powers is the power to “report apparent violations of law to the Attorney General of the United States Virgin Islands.” 18 V.I.C. § 909 (b) (8).

² VIGOP (Virgin Islands Republican Party), Statement of Organization, FEC Form 1, at 2 (amended Feb. 17, 2015), <http://docquery.fec.gov/pdf/183/15970268183/15970268183.pdf>. The Virgin Islands Republican Party refers to itself as “VIGOP” and complainants use that abbreviation here.

³ *Political Parties*, Elections System of the Virgin Islands, <https://www.vivote.gov/candidates/political-parties> (last visited Feb. 6, 2018).

⁴ *Compare id.*, with VIGOP, Statement of Organization, FEC Form 1, at 1 (listing the address P.O. Box 295, Christiansted, VI 00821).

⁵ Ben Lefebvre & Esther Whieldon, *Trump’s Interior chief ‘hopping around from campaign event to campaign event*, *POLITICO* (Oct. 5, 2017), <https://www.politico.com/story/2017/10/05/zinke-fundraiser-official-travel-interior-243470> (last updated Oct. 11, 2017).

⁶ Official Travel Schedule of the Secretary: U.S. Virgin Islands, March 30-April 1, 2017, 2017 Travel, U.S. Department of the Interior 76 (July 5, 2017), https://www.doi.gov/sites/doi.gov/files/uploads/2017_secretary_zinke_travel_0.pdf.

copy of the invitation. Patrons and members of the host committee, who paid \$1,500 per couple, could get a photo with Zinke at the start of the event, which was attended by local party members and elected officials.⁷

Zinke's official calendar states that approximately 50-75 individuals were expected to attend the fundraiser, and lists the name of two "Patrons" who presumably contributed \$5,000 and two "host committee" members who presumably contributed \$1,500.⁸

The federal VIGOP's reports filed with the FEC do not show any contributions on, before, or soon after March 30, 2017 that exceeded \$1,000; thus, no reported contributions appear to match the \$1,500 and \$5,000 ticket price to the fundraiser that included the photo with Zinke.⁹

However, the federal VIGOP does appear to have paid for certain expenses associated with the March 30 fundraiser, according to its reports filed with the FEC. The federal VIGOP reported paying \$875 to a Virgin Islands catering company for a "VIGOP event" on March 30, 2017,¹⁰ and paid \$833.80 to the Renaissance St. Croix for "accommodations (3/31/17)" for federal VIGOP Executive Director Dennis Lennox.¹¹ According to the Interior Secretary's official schedule, Lennox attended the March 30 fundraiser, and Zinke also stayed at the Renaissance St. Croix after the fundraiser.¹²

Additionally, an Interior spokesperson confirmed to *POLITICO* that the Department had invoiced the federal VIGOP for the political portion of Zinke's

⁷ *Id.* After the *POLITICO* story was published in October, CLC wrote to the Chief of the Hatch Act Unit at the U.S. Office of Special Counsel requesting an investigation into whether Zinke's attendance at this event violated the Hatch Act, since conditioning the opportunity for photographs with Zinke on a higher contribution may have constituted an impermissible solicitation. Letter from Walter M. Shaub, Jr. to Ana Galindo-Marrone, Oct. 6, 2017, *available at* <http://www.campaignlegalcenter.org/sites/default/files/CLC%20Hatch%20Act%20Complaint%206%20OCT%202017.pdf>. This complaint is still pending with OSC.

⁸ Official Travel Schedule of the Secretary, *supra* note 6, at 76.

⁹ Of the 88 individual contributions the federal VIGOP reported to FEC dated March or April 2017, none exceeded \$1,000, so none matched the \$1,500 or \$5,000 ticket prices reported by *POLITICO*. See VIGOP, Individual Contributions, March 1, 2017-April 30, 2017, <http://bit.ly/2Gaf3AE> (last visited Feb. 6, 2018). Similarly, no contributions in the 2017 cycle made *prior* to the fundraiser match the \$1,500 or \$5,000 ticket prices. See VIGOP, Individual Contributions, Jan. 1, 2017-Feb. 28, 2017, <http://bit.ly/2CzT7fZ> (last visited Feb. 20, 2018). None of the names of the "Patrons" or "host committee" members listed on Zinke's official calendar appears on the federal VIGOP's reports during this period. *Id.*

¹⁰ VIGOP, April Monthly, FEC Form 3X, at 34 (amended) (filed Sept. 27, 2017), <http://docquery.fec.gov/cgi-bin/fecimg/?201709279075530665>.

¹¹ VIGOP, June Monthly, FEC Form 3X, at 73 (amended) (filed Oct. 1, 2017), <http://docquery.fec.gov/cgi-bin/fecimg/?201710019075562619>.

¹² Official Travel Schedule of the Secretary, *supra* note 6, at 73, 76.

travel,¹³ and federal VIGOP's FEC reports list a \$274.29 "reimbursement" paid to the Department on October 5, 2017.¹⁴

In December 2017, *POLITICO* reported that:

The chairman of the territorial Republican Party, John Canegata, said the fundraiser had been the work of the territorial party, not the [federal] PAC, and would be listed in reports filed with the Virgin Islands' election committee.

'All our donations, we will put that together in a form they provide and give that to them at the end of the year,' Canegata told *POLITICO*.'

Campaign finance reports for groups registered with the islands' government are due in June and December of each year, a spokeswoman for Election Services of the Virgin Islands said. Money raised at a March fundraiser would had to have been reported on the June disclosure report, the spokeswoman said.

VIGOP is not officially part of the Virgin Island Republican Party structure and is not registered with the Elections System of the Virgin Islands as a fundraising organization, said Genevieve Whitaker, deputy supervisor of elections for the agency's St. Croix district.¹⁵

To date, the territorial VIGOP has failed to file any reports with the Virgin Islands Elections System disclosing the donors who contributed at the March 30, 2017 fundraiser. In fact, Ms. Caroline Fawkes, Supervisor of the Virgin Islands Elections System, told CLC that as far as she was aware the territorial VIGOP has *never* filed a report with the System.¹⁶

Summary of the Law

The Federal Election Campaign Act (FECA) requires a federal political committee like the federal VIGOP to file reports of contributions and disbursements. 52 U.S.C.

¹³ Ben Lefebvre, *Interior reimbursed for Zinke Virgin Island fundraiser, but contributions unaccounted for*, *POLITICO* (Dec. 19, 2017), <https://www.politico.com/story/2017/12/19/interior-reimbursed-zinke-virgin-island-fundraiser-226980>.

¹⁴ VIGOP, November Monthly, FEC Form 3X, at 54 (filed Nov. 18, 2017), <http://docquery.fec.gov/pdf/125/201711189086728125/201711189086728125.pdf>. Interior records also include a copy of the invoice that the Interior Department sent to VIGOP on July 5, 2017. Invoice from U.S. Department of the Interior to VIGOP, 2017 Travel, U.S. Department of the Interior 63 (July 5, 2017), https://www.doi.gov/sites/doi.gov/files/uploads/2017_secretary_zinke_travel_0.pdf.

¹⁵ Lefebvre, *supra* note 13.

¹⁶ Telephone Conversation with Caroline Fawkes, Supervisor, Elections System of the Virgin Islands (Jan. 30, 2018).

§ 30104(a)(1). Such reports must include the total amount of all contributions received, 52 U.S.C. § 30104(b)(2)(A), as well as the identification of each person who made a contribution in excess of \$200 during the reporting period, together with the date and amount of such contribution, 52 U.S.C. § 30104(b)(3)(A). The federal VIGOP has elected to file monthly reports.

The Virgin Islands Code similarly requires territorial political committees to file regular reports of contributions and disbursements. If the territorial VIGOP received more than \$1,000 in aggregate contributions a calendar year, it is a “political committee” for purposes of the Virgin Islands Code. 18 V.I.C. § 902(2).¹⁷ A political committee that anticipates receiving contributions in excess of \$500 is required to file a statement of organization with the Virgin Islands Election System within ten days. 18 V.I.C. § 904(a). It must also file reports disclosing the identification of each person who contributed over \$100 and the date and amount of the contribution. 18 V.I.C. § 905(a)(2). In a non-election year such as 2017, committees in the Virgin Islands file reports semi-annually. 18 V.I.C. § 905 (b)(1).¹⁸

Under the Virgin Islands Code, an individual cannot contribute more than \$1,000 to a political committee. 18 V.I.C. § 907(a).

Request for Investigation

On March 30, 2017, Secretary Zinke appeared at a fundraiser for what his official calendar described as a “Virgin Islands GOP Event.” The evidence suggests that at least two individuals contributed \$1,500 each in connection with the fundraiser, and that at least one couple together donated \$5,000.

If the March 30 fundraiser was for the federal VIGOP, the federal committee would be required to report the identity of each person who contributed over \$200 and the date and amount of the contribution. 52 U.S.C. § 30104(b)(3)(A). And yet the federal VIGOP has not reported the identity of any contributors, or the amount contributed, from the March 30 fundraiser.

If the March 30 fundraiser was for the territorial VIGOP, then the territorial VIGOP would be a “political committee” because more than \$1,000 was raised at the event. 18 V.I.C. § 902(2). The territorial VIGOP would be required to file a statement of organization with the Virgin Islands Election System, 18 V.I.C. § 904(a), and semiannual reports disclosing the identity of all donors over \$100, and

¹⁷ The Virgin Islands Code defines “committee” or “political committee” as “any committee, club, association, or other group of persons which receives contributions makes expenditures during any calendar year in an aggregate amount exceeding \$1,000.” 18 V.I.C. § 902(2).

¹⁸ “The treasurer of each political committee required to file reports pursuant to subsection (a) of this section shall file a report with Supervisor: (1) not later than ten days after each six-month period in which contributions were received or expenditures made in amounts greater than \$500 . . .” 18 V.I.C. § 905(b)(1).

the date and amount of the donation. 18 V.I.C. § 905(a)(2). Individuals cannot contribute more than \$1,000 to a territorial political committee. 18 V.I.C. § 907(a). Yet the territorial VIGOP appears not to have filed a statement of organization with the Virgin Islands Election System, and has not filed *any* reports, much less reports disclosing the identity of any contributors and the amount contributed at the March 30 fundraiser.

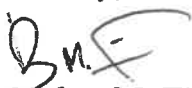
Moreover, those individuals who contributed more than \$1,000 to the territorial VIGOP would have exceeded the territorial contribution limits. 18 V.I.C. § 907(a).

Accordingly, either the federal VIGOP has failed to report contributions received, in violation of 52 U.S.C. § 30104(b)(3)(A), or the territorial VIGOP has failed to register with the Virgin Islands Election System as a political committee and report contributions received, in violation of 18 V.I.C. § 907(a), and its contributors have made contributions in excess of territorial contribution limits, in violation of 18 V.I.C. § 907(a).

In either case, the public remains entirely in the dark about which donors paid thousands of dollars to buy access to Secretary Zinke.

We request that your agencies exercise their respective authorities to investigate this matter,¹⁹ require the appropriate entities to file accurate reports disclosing who paid for access to Secretary Zinke, and assess appropriate penalties.²⁰

Sincerely,



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¹⁹ The Virgin Islands Code provides that, upon receipt of a complaint, the Secretary of the Virgin Islands Election System shall conduct an investigation, 18 V.I.C. § 910(b). FECA provides that “upon receipt of a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [FECA] . . . [t]he Commission shall make an investigation of such alleged violation. . . .” 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a) (emphasis added).

²⁰ “If the Supervisor determines that there is reasonable cause to believe that a person has committed or is about to commit a violation of this chapter . . . [she] may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or other appropriate order, including a civil penalty which does not exceed the greater of \$5,000 or an amount equal to twice the amount of any contributions or expenditures involved in such violation, in a court of competent jurisdiction.” 18 V.I.C. § 910(c). Knowing and willful violations may be fined at three times the amount of the violation or imprisonment of up to one year. 18 V.I.C. § 911.

VERIFICATION

The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.



For Complainant Campaign Legal Center

B M F

Brendan M. Fischer

Sworn to and subscribed before me this 22 day of February 2018.

[Signature]

Notary Public