



November 21, 2019

Federal Election Commission
Lisa J. Stevenson, Acting General Counsel
Office of the General Counsel
1050 First Street, NE
Washington, DC 20463

RE: Additional Facts Relevant to MUR #7425

Dear Ms. Stevenson:

The Campaign Legal Center (“CLC”) writes to supplement our July 11, 2018 complaint (assigned MUR #7425) against Donald J. Trump, a candidate in the 2016 presidential election, his authorized campaign committee, Donald J. Trump for President, Inc. (I.D.: C00580100) (“the Trump campaign”), and his foundation, the Donald J. Trump Foundation (“the Foundation”).

CLC’s original complaint alleged that respondents violated 52 U.S.C. § 30125(e)(1) and 11 C.F.R. § 300.61 by “solicit[ing],” “receiv[ing],” “direct[ing],” and “spend[ing]” soft money funds “in connection with an election for Federal office” that were not “subject to the limitations, prohibitions, and reporting requirements” of the Federal Election Campaign Act (“FECA”).

Drawing from public reports, and emails and other evidence made public in the course of an investigation by the Charities Bureau of the New York State Office of the Attorney General, CLC’s complaint detailed how candidate Trump and his agents “solicit[ed],” and the Foundation “receiv[ed],” soft money funds at and around a campaign event held January 28, 2016 in Iowa, just days before the February 1, 2016 Iowa nominating caucus. That Iowa Fundraiser was planned, organized, financed and directed by the Trump campaign, with assistance from the Foundation. The Trump campaign “direct[ed]” how the Foundation “spen[t]” the soft money proceeds, with the Trump campaign selecting the recipients, timing the

disbursements to have the maximum impact on the Iowa election, and distributing the funds at official campaign events via checks emblazoned with the Trump campaign slogan.

Following CLC's original complaint, the Foundation agreed to dissolve under judicial supervision, pursuant to an agreement with the New York Attorney General. On October 1, 2019, Mr. Trump and the Foundation entered into a Stipulation of Final Settlement with the New York Attorney General arising from alleged violations of New York charitable and tax law.¹

In that settlement, Mr. Trump and the Foundation stipulated to key factual allegations in CLC's complaint, acknowledging that, among other things:

The Campaign planned, organized, and paid for the Iowa Fundraiser, with administrative assistance from the Foundation; and the Campaign directed the timing, amounts, and recipients of the Foundation's grants to charitable organizations supporting military veterans.²

The stipulation resolved damages for alleged waste resulting from certain improper uses of Foundation resources, but a New York State Court was additionally asked to assess damages that Mr. Trump owed in connection with the Iowa Fundraiser.³ In an opinion dated November 7, 2019, Justice Saliann Scarpulla found that Mr. Trump breached his fiduciary duty to the Foundation by "allowing his campaign to orchestrate the [Iowa] Fundraiser" and "allowing his campaign, instead of the Foundation, to direct distribution of the funds, and using the [Iowa] Fundraiser and distribution of the Funds to further Mr. Trump's political campaign."⁴ Justice Scarpulla further found that "the \$2,823,000 raised at the [Iowa] Fundraiser was used for Mr. Trump's political campaign and disbursed by Mr. Trump's campaign staff, rather than by the Foundation."⁵

The stipulations of candidate Trump and his Foundation and the findings of Justice Scarpella establish that respondents violated 52 U.S.C. § 30125(e)(1) and 11 C.F.R. § 300.61. The Iowa Fundraiser was "orchestrate[d]"⁶ by the Trump campaign,

¹ Stipulation of Final Settlement, *The People of the State of New York v. Donald J. Trump, et al.*, No. 451130/2018 (N.Y. Sup. Ct. N.Y. Co. Nov. 7, 2019), https://iapps.courts.state.ny.us/nyscef/ViewDocument?docIndex=JLJih9v_PLUS_EKSuJs36THzexg== (hereinafter "Stipulation of Final Settlement").

² *Id.* at 4.

³ Decision and Order on Petition for Declaratory Judgement at 3-4, *The People of the State of New York v. Donald J. Trump, et al.*, No. 451130/2018 (N.Y. Sup. Ct. N.Y. Co. Nov. 7, 2019), https://iapps.courts.state.ny.us/nyscef/ViewDocument?docIndex=tOMnNab_PLUS_PiNjvAeFP7v54A== (hereinafter "Scarpulla Opinion").

⁴ *Id.* at 5-6.

⁵ Scarpulla Opinion at 6.

⁶ *Id.* at 5-6.

“planned, organized, and paid for” by the campaign,⁷ and used “to further Mr. Trump’s political campaign.”⁸ Thus, it was held “in connection with an election for Federal office” within the meaning of FECA and Commission regulations. 52 U.S.C. § 30125(e)(1); 11 C.F.R. § 300.61. The funds solicited and received constituted soft money because the funds exceeded FECA’s \$2,700 per election individual contribution limit and were not subject to FECA’s reporting requirements.⁹

The stipulations and judicial findings additionally establish that the Trump campaign “directed”¹⁰ the “distribution”¹¹ of those soft money funds “to further Mr. Trump’s political campaign,”¹² which amount to the campaign “direct[ing]” and “spend[ing]” soft money within the meaning of FECA and Commission regulations. 52 U.S.C. § 30125(e)(1); 11 C.F.R. § 300.61.

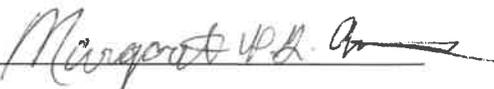
Therefore, there is reason to believe that candidate Donald J. Trump, and entities established, financed, maintained, or controlled by him—namely, Donald J. Trump for President, Inc. and the Donald J. Trump Foundation—violated 52 U.S.C. § 30125(e)(1) and 11 C.F.R. § 300.61 by “solicit[ing],” “receiv[ing],” “direct[ing]” and “spend[ing]” funds “in connection with an election for Federal office” that were not “subject to the limitations, prohibitions, and reporting requirements” of FECA. 52 U.S.C. § 30125(e)(1); 11 C.F.R. § 300.61.

Respectfully submitted,



Campaign Legal Center, by

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Margaret Christ¹³
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⁷ Stipulation of Final Settlement at 4.

⁸ Scarpulla Opinion at 6.

⁹ See CLC Compl. at ¶33.

¹⁰ Stipulation of Final Settlement at 4; see also Scarpulla Opinion at 6.

¹¹ Scarpulla Opinion at 5-6.

¹² *Id.* at 6.

¹³ Complainant Margaret Christ is substituted for complainant Sandhya Bathija.

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Counsel to the Campaign Legal Center,
Margaret Christ

November 21, 2019

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 Margaret Christ

A handwritten signature in cursive script, appearing to read "Margaret Christ", written over a horizontal line.

Margaret Christ

Sworn to and subscribed before me this 21 day of November 2019.

A handwritten signature in cursive script, written over a horizontal line.

Notary Public



For Complainant Campaign Legal Center

A handwritten signature in cursive script, appearing to read "Brendan M. Fischer", written over a horizontal line.

Brendan M. Fischer

Sworn to and subscribed before me this 21 day of November 2019.

A handwritten signature in cursive script, written over a horizontal line.

Notary Public