MUR757800001



FEDERAL ELECTION COMMISSION Washington, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
FAIRPAC (f/k/a John Linder for Congress) and Matthew John Linder, in his official capacity))	MUR 7578
as treasurer John Linder)	

STATEMENT OF REASONS OF CHAIR SHANA M. BROUSSARD AND COMMISSIONERS STEVEN T. WALTHER AND ELLEN L. WEINTRAUB

This matter involves allegations that former Representative John Linder, who retired in 2011, made personal use of funds contributed to his principal campaign committee in violation of the Federal Election Campaign Act of 1971, as amended (the "Act") and Commission regulations.

John Linder served as a Representative from 1993 to 2011; Linder for Congress was his principal campaign committee.¹ In January 2014, Linder for Congress was converted to a multi-candidate committee named FAIRPAC.² At the time of this conversion, \$430,622 in leftover campaign funds were transferred to FAIRPAC.³ FAIRPAC has not raised any additional contributions since 2014.

The Complaint alleged that a number of disbursements made between 2014-2018 were for personal use, including a \$900 payment to the Chowder & Marching Club for dinner and

² Id.

¹ Resp. at 1 (April 22, 2019).

³ Linder for Congress 2013 Year-End Report at 4 (Jan. 30, 2014); FAIRPAC Second Amended 2014 April Quarterly Report at 2 (July 13, 2014). Since the conversion to a multi-candidate committee, FAIRPAC has received a small amount of additional funds in the total amount of \$2,529. *See* FAIRPAC 2019 Year-End Report at 6 (Jan. 31, 2020) (disclosing \$238 in other receipts); FAIRPAC Amended 2018 April Quarterly Report at 6 (Aug. 30, 2018) (disclosing \$717 in other receipts); FAIRPAC 30 Day Post-Gen. Report at 6 (Dec. 2, 2014) (disclosing \$1,574 in offsets to operating expenditures).

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payments for airfare and hotels. The Chowder & Marching Club is a social organization with membership limited to current and former Republican members of the House of Representatives.⁴

While campaign funds generally cannot be used to pay for dues at country clubs and other non-political organizations, candidates or federal officeholders may pay membership dues in an organization that has political interests "in order to maintain political contacts with constituents or the business community."⁵ However, the Commission has concluded that a long-retired former congressman could not use leftover campaign funds to pay membership fees at the Capitol Hill Club, an organization that has political interests.⁶ Given that Linder has not been a candidate or officeholder since 2011, there appears to be reason to believe that the payments to for Linder's attendance at the Chowder & Marching Club were impermissible personal expenses that would exist irrespective of Linder's former campaign or duties as a former federal officeholder.

These payments, however, were made more than five years ago, and the applicable statute of limitations for the payment of civil monetary penalties has expired. Accordingly, we voted to approve the Office of General Counsel's recommendation to dismiss these allegations.⁷

November 15, 2021 Date

November 15, 2021 Date Sharah. Prousaul

Shana M. Broussard Chair

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Steven T. Walther Commissioner

Ulen L. Weintrand

Ellen L. Weintraub Commissioner

November 15, 2021 Date

⁴ Resp. at 9.

⁵ Explanation and Justification for Expenditures; Reports by Political Committees; Personal Use of Campaign Funds, 60 Fed. Reg. 7,862, 7,866 (Feb. 9, 1995); *see also* 11 C.F.R. § 113.1(g)(1)(i)(G).

⁶ Factual & Legal Analysis at 10-11, MUR 7292 (Stearns).

⁷ Certification, MUR 7578 (FAIRPAC, *et al.*) (Sept. 30, 2021). We also voted to approve the Office of General Counsel's recommendations to dismiss the other allegations on substantive grounds. *Id.*; Factual & Legal Analysis, MUR 7578 (FAIRPAC, *et al.*).