



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 26, 2020

Dan Backer, Treasurer
Great America PAC
107 S. West Street, Suite 555
Alexandria, VA 22314
Email: Dan@political.law

RE: MUR 7722

Dear Mr. Backer:

This letter acknowledges receipt of your complaint on March 24, 2020, alleging possible violations of the Federal Election Campaign Act of 1971, as amended. The respondents will be notified of this complaint within five business days.

You will be notified as soon as the Federal Election Commission (FEC) takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be notarized and sworn to in the same manner as the original complaint. We have numbered this matter MUR 7722. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Any correspondence sent to the Commission must be addressed to one of the following below. As indicated in the FEC's Notice found at https://www.fec.gov/resources/cms-content/documents/website_notice_regarding_status_of_FEC_operations_3-17-20.pdf, the office's mailroom is not processing correspondence at this time and, therefore, we strongly encourage you to file via email.

Mail
Federal Election Commission
Office of Complaints Examination
& Legal Administration
Attn: Kathryn Ross, Paralegal
1050 First Street, NE
Washington, DC 20463

OR
Email
cela@fec.gov

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff S. Jordan".

Jeff S. Jordan
Assistant General Counsel
Complaints Examination &
Legal Administration

Enclosure:
Procedures

**DESCRIPTION OF PRELIMINARY PROCEDURES
FOR PROCESSING COMPLAINTS FILED WITH THE
FEDERAL ELECTION COMMISSION**

1050 First Street, NE
Washington, D.C. 20463
EMAIL cela@fec.gov FAX (202) 219-3923

Complaints filed with the Federal Election Commission shall be referred to the Enforcement Division of the Office of the General Counsel, where they are assigned a MUR (Matter Under Review) number and forwarded to Complaints Examination & Legal Administration ("CELA") for processing. Within five days of receipt of the complaint, the Commission shall notify all respondents referenced in the complaint, in writing, that the complaint has been filed, and shall include with such notification a copy of the complaint. Simultaneously, the complainant shall be notified that the complaint has been received. The respondents shall then have 15 days to demonstrate, in writing, that no action should be taken against them in response to the complaint. If additional time is needed in which to respond to the complaint, the respondents may request an extension of time. The request must be in writing and demonstrate good cause as to why an extension should be granted. Please be advised that not all requests are granted.

After the response period has elapsed, cases are prioritized and maintained in CELA. Cases warranting the use of Commission resources are assigned as staff becomes available. Cases not warranting the use of Commission resources are dismissed.

If a case is assigned to a staff person, the Office of the General Counsel shall report to the Commission, making recommendations based upon a preliminary legal and factual analysis of the complaint and any submission made by the respondent. The report may recommend that the Commission: (a) find reason to believe that the complaint sets forth a possible violation of the Federal Election Campaign Act of 1971, as amended, (hereinafter the "Act"); or (b) find no reason to believe that the complaint sets forth a possible violation of the Act and, accordingly, close the file.

If, by an affirmative vote of four Commissioners, the Commission determines that there is reason to believe that a respondent has committed or is about to commit a violation of the Act, the Office of the General Counsel shall open an investigation into the matter. During the investigation, the Commission has the power to subpoena documents, to subpoena individuals to appear for deposition, and to order written answers to interrogatories. A respondent may be contacted more than once by the Commission during this phase.

If during this period of investigation, a respondent indicates a desire to enter into conciliation, the Office of the General Counsel may recommend that the Commission enter into conciliation prior to a finding of probable cause to believe that a violation has been committed. Conciliation is an attempt to correct or prevent a violation of the Act by informal methods of conference and persuasion. Most often, the result of conciliation is an agreement signed by the Commission and the respondent. The Conciliation Agreement must be adopted by four votes of

the Commission in order to become final. After signature by the Commission and the respondent, the Conciliation Agreement is made public within 30 days of closing of the entire file.

If the investigation warrants, and no conciliation agreement has been entered into prior to a probable cause to believe finding, the General Counsel must notify the respondent of his/her intent to recommend that the Commission proceed to a vote on probable cause to believe that a violation of the Act has been committed or is about to be committed. The General Counsel shall send the respondent a brief setting forth his/her position on the legal and factual issues of the case. A response brief stating respondent's position on the issues may be submitted within 15 days of receipt of the General Counsel's Brief. Both briefs are then filed with the Commission Secretary and considered by the Commission. Thereafter, if the Commission determines, by an affirmative vote of four Commissioners, that there is probable cause to believe that a violation of the Act has been committed or is about to be committed, the Commission must conciliate with the respondent for a period of at least 30 days, but not more than 90 days. If the Commission is unable to correct or prevent any violation through conciliation, the Office of the General Counsel may recommend that the Commission file a civil suit to enforce the Act against the respondent. Therefore, the Commission may, upon the affirmative vote of four Commissioners, institute civil action for relief in the United States District Court.

See 52 U.S.C. § 30109 and 11 C.F.R. Part 111.

March 2018

accept a single dollar from any other source¹. Now that he has withdrawn from the race for the 2020 Democratic nomination for President, he is transferring \$18,000,000 of his remaining campaign funds to the Democratic National Committee (“DNC”).² He is similarly turning over his field offices in key battleground states, worth tens, if not hundreds of thousands of dollars, to state parties.³ It would be blatantly illegal for Bloomberg to directly contribute \$18 million of his own funds to the DNC directly. He cannot be permitted to circumvent contribution limits through the simply expedient of laundering millions of dollars through his now-defunct campaign account.

Bloomberg is the only contributor to his campaign committee and exercises exclusive control over his committee’s assets; under the unique circumstances of this case, the contribution from Bloomberg’s candidate committee to the DNC should be deemed an illegal contribution from Bloomberg himself directly to the DNC. Allowing Bloomberg to contribute over 500 times the legal limit, simply because he parked his money for a few months in a candidate account subject at all times to his exclusive control, would irrevocably corrupt both the DNC and its eventual presidential candidate, undermine the entire campaign finance system, and legitimate a glaring loophole that would allow plutocrats to follow his example to funnel unlimited amounts of money to political parties simply by registering an FEC candidate committee.

Parties

1. Complainant GREAT AMERICA PAC is an unauthorized, non-connected, “Carey”⁴ multi-candidate political committee that is committed to bringing people together and uniting them behind President Donald Trump and his America First movement.

¹ See Mike Bloomberg 2020, Inc., *March 2020 Monthly Report*, FEC Form 3P, at 3, line 17(a)(iii) (Mar. 20, 2020), <https://docquery.fec.gov/pdf/715/202003209204638715/202003209204638715.pdf> (disclosing no contributions from the public to MIKE BLOOMBERG 2020, INC. over the course of the 2020 election cycle).

² <https://www.politico.com/news/2020/03/20/mike-bloomberg-massive-18m-transfer-dnc-138771>

³ <https://www.cnn.com/2020/03/20/politics/bloomberg-campaign-money-dnc/index.html>

⁴ *Carey v. Fed. Election Comm’n*, 864 F. Supp. 2d 57 (D.D.C. 2002).

2. Respondent MICHAEL BLOOMBERG is a billionaire who, after unsuccessfully attempting to purchase the Democratic Party's nomination for President, has decided to simply purchase the Democratic Party itself by illegally funneling over \$18 million through his candidate account to the DNC and affiliated state parties.

3. Respondent MIKE BLOOMBERG 2020, INC. (hereafter, "the Committee") is the authorized, principal candidate committee for BLOOMBERG in connection with his 2020 campaign for the Democratic Party's nomination for President.

4. Respondent DNC SERVICES CORP./DEM. NAT'L COMMITTEE (hereafter, "the DNC") is a national political party committee and has a history of illegally conspiring to receive millions of dollars in illegal contributions that have been laundered through other political committees.⁵

Alleged Violations of the FECA

5. On November 21, 2019, BLOOMBERG filed his Statement of Candidacy with the Federal Election Commission ("FEC" or "Commission") for President of the United States. He designated MIKE BLOOMBERG 2020, INC. as his principal campaign committee.

6. Over approximately the next four months, BLOOMBERG transferred a total of more than \$935,000,000 of his personal funds to MIKE BLOOMBERG 2020, INC.⁶ A small sampling of his largest reported contributions include:

- a. \$58,000,000 on November 20, 2019.
- b. \$55,000,000 on December 26, 2019.

⁵ See Complaint, *Hillary Victory Fund*, MUR #7304 (Dec. 15, 2017), <https://www.fec.gov/files/legal/murs/7304/19044465522.pdf>; First General Counsel Report, *Hillary Victory Fund*, MUR #7304 (June 3, 2019), <https://www.fec.gov/files/legal/murs/7304/19044465911.pdf>.

⁶ See Mike Bloomberg 2020, Inc., *March 2020 Monthly Report*, FEC Form 3P, at 3, line 17(d) (Mar. 20, 2020), <https://docquery.fec.gov/pdf/715/202003209204638715/202003209204638715.pdf> (disclosing a total of \$935,360,675.56 in transfers from the candidate, BLOOMBERG, to MIKE BLOOMBERG 2020, INC. over the course of the 2020 election cycle).

- c. \$75,000,000 on January 7, 2020.
- d. \$85,000,000 on February 3, 2020.
- e. \$125,000,000 on February 13, 2020.
- f. \$50,000,000 on February 18, 2020.
- g. \$76,000,000 on February 21, 2020.
- h. \$85,000,000 on February 25, 2020.
- i. \$50,000,000 on February 28, 2020.

7. MIKE BLOOMBERG 2020, INC. did not accept or receive any contributions from any contributors other than BLOOMBERG himself.

8. On information and belief, BLOOMBERG has transferred an unknown additional amount of his personal funds to MIKE BLOOMBERG 2020, INC. between March 1 and March 23, 2020, that have not yet been publicly reported.

9. Throughout his short-lived campaign, BLOOMBERG received a plurality of the vote in only one jurisdiction—American Samoa. Within the continental United States, he never received more than 18.7% of the vote. Out of 3,979 pledged delegates to be selected to attend the 2020 Democratic National Convention, he won only 58 delegates, or less than 2%. The Democratic electorate flatly rejected BLOOMBERG’s transparent attempt to buy the Presidency.

10. On or about March 4, 2020, BLOOMBERG announced that he was suspending his campaign to seek the Democratic Party’s nomination for President.

11. On or about March 20, 2020, MIKE BLOOMBERG 2020, INC. issued a memorandum (“Memo”) to DNC Chair Tom Perez. A true and complete copy of the memorandum is attached to this Complaint as Exhibit 1.

12. The Memo admitted that BLOOMBERG had *always* intended to support the Democratic Party's nominee for President, even when he established MIKE BLOOMBERG 2020, INC. and contributed nearly a billion dollars of his personal funds to it.

13. The Memo further explains that, rather than working with an independent group or making independent expenditures to express BLOOMBERG's own political thoughts or beliefs, BLOOMBERG instead wanted to help the DNC.

14. The Memo (emphasis added) stated, "That is why Mike Bloomberg 2020 has decided to make a transfer of \$18 million to the Democratic National Committee's organizing efforts and *Coordinated Campaign* to help Democrats win up and down the ballot this fall. In particular, we hope this investment will dramatically expand the DNC's Battleground Build-Up 2020 efforts across battleground states, drawing in part from our own incredibly experienced and talented organizing staff."

15. Thus, the Memo expressed BLOOMBERG'S intent to transfer \$18 million from MIKE BLOOMBERG 2020, INC. to the DNC. All of the funds in MIKE BLOOMBERG 2020, INC.'s campaign account originated with BLOOMBERG himself and are—and have always been—subject to BLOOMBERG's direct control.

16. BLOOMBERG has a constitutionally protected First Amendment right to spend as much of his personal funds as he wishes in support of his own campaign. *Buckley v. Valeo*, 424 U.S. 1, 51-54 (1976) (per curiam); *see also* 11 C.F.R. § 110.10. He likewise may spend as much as he wishes on independent expenditures in support of the Democratic Party and Democratic Candidates. *Buckley*, 424 U.S. at 51. He may not, however, funnel \$18 million of his personal funds to the DNC through his campaign committee, simply because he briefly ran a failed campaign for President.

17. The Memo from MIKE BLOOMBERG 2020, INC. to the DNC further elaborated, “Mike Bloomberg 2020 will also transfer several of its former field offices to state parties and help accelerate the hiring pace for important positions in organizing, data, and operations across key battleground states.”

18. Again, BLOOMBERG is illegally using MIKE BLOOMBERG 2020, INC. to funnel his personal funds to state parties in excess of contribution limits.

19. BLOOMBERG directed and approved the contributions from MIKE BLOOMBERG 2020, INC. to the DNC and affiliated state party committees.

20. MIKE BLOOMBERG 2020, INC. specified that the DNC must spend the funds to “dramatically expand the DNC’s Battleground Build-Up 2020 efforts across battleground states, drawing in part from [MIKE BLOOMBERG 2020, INC.’s] own incredibly experienced and talented organizing staff.”

21. The memo specified the contribution from MIKE BLOOMBERG 2020, INC. to the DNC is part of BLOOMBERG’s personal effort to “support [the Democratic Party’s] eventual nominee.”

COUNT I

Against Respondent Michael Bloomberg
Excessive Contribution to Respondent DNC
in Violation of 52 U.S.C. § 30116(a)(1)(B) and 11 C.F.R. § 110.1(c)(1)

22. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

23. 52 U.S.C. § 30116(a)(1)(B) and 11 C.F.R. § 110.1(c)(1)(i), as adjusted for inflation, *see* FEC, *Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold*, 84 FED. REG. 2504 (Feb. 7, 2019), specify that a person may contribute no more than \$35,500 annually to a national political party committee. A person may

also contribute a maximum of \$106,500 to each of a national political party committee's three special segregated *McCutcheon*⁷ accounts, 52 U.S.C. § 30116(a)(1)(B), (a)(9), for a total of \$355,000.

24. BLOOMBERG has contributed, or soon will be contributing, approximately \$18 million of his personal funds to the DNC.

25. BLOOMBERG is making this contribution from his candidate account, which is subject to his exclusive direction and control.

26. BLOOMBERG contributed all of the funds in his candidate account; he did not solicit nor accept a single dollar from any other source.

27. BLOOMBERG's plenary authority over the funds in his candidate account is confirmed by the fact he retains unilateral discretion to refund them to his personal account at any time. The FEC has opined, "A candidate, like any other contributor, may request a refund of a primary election contribution. No provision of the Act or any Commission regulation prevents the Committee from refunding lawful primary election contributions upon request, if it desires to do so. . . . A refund of a candidate's contribution to his own campaign . . . does not [constitute] per se personal use." *Pike for Congress*, A.O. 2010-15, at 2-3 (Aug. 26, 2010).

28. Under the unique circumstances of this case, where BLOOMBERG is the source of all the funds in MIKE BLOOMBERG 2020, INC.'s account; BLOOMBERG controls the funds in that account; and may completely refund to his personal account all of those funds at any time, a contribution from MIKE BLOOMBERG 2020, INC. to the DNC must be treated as a contribution from BLOOMBERG himself to the DNC.

⁷ See *McCutcheon v. FEC*, 572 U.S. 185 (2014) (invalidating aggregate contribution limits).

29. Allowing BLOOMBERG to contribute \$18 million of his own funds to the DNC by laundering them through his now-defunct presidential campaign account would facilitate circumvention of the Federal Election Campaign Act's ("FECA") contribution limits. Any millionaire, billionaire, or other egotistical plutocrat could easily circumvent the FECA's limits simply by establishing a candidate committee, contributing his or her personal funds into it, and then transferring those funds to the DNC.

WHEREFORE Respondent Michael Bloomberg violated 52 U.S.C. § 30116(a)(1)(B) and 11 C.F.R. § 110.1(c)(1).

COUNT II
Against Respondent DNC
Receipt of Excessive Contribution from Respondent Michael Bloomberg
in Violation of 52 U.S.C. § 30116(a)(1)(B), (f) and 11 C.F.R. §§ 110.1(c)(1), 110.9

30. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

31. 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 prohibit a political committee from knowingly accepting contributions in excess of FECA's limits.

32. 52 U.S.C. § 30116(a)(1)(B) and 11 C.F.R. § 110.1(c)(1)(i), as adjusted for inflation, *see* 84 FED. REG. 2504, specify that a person may contribute no more than \$35,500 annually to a national political party committee. A person may also contribute a maximum of \$106,500 to each of a national political party committee's three special segregated *McCutcheon* accounts, 52 U.S.C. § 30116(a)(1)(B), (a)(9), for a total of \$355,000.

33. The DNC has accepted, or will be accepting, approximately \$18 million of BLOOMBERG's personal funds.

34. The DNC has received, or will be receiving, BLOOMBERG's personal funds from MIKE BLOOMBERG 2020, INC.

35. Under the unique circumstances of this case, where BLOOMBERG is the source of all the funds in MIKE BLOOMBERG 2020, INC.'s account; BLOOMBERG controls the funds in that account; and may completely refund to his personal account all of those funds at any time, a contribution from MIKE BLOOMBERG 2020, INC. to the DNC must be treated as a contribution from BLOOMBERG himself to the DNC.

36. Allowing the DNC to accept \$18 million of BLOOMBERG's funds simply because he laundered them through his now-defunct presidential campaign account would facilitate circumvention of the FECA's contribution limits. Permitting this scheme would enable the DNC to receive limitless funds from millionaires, billionaires, and other egotistical plutocrats.

WHEREFORE Respondent DNC violated 52 U.S.C. § 30116(a)(1)(B), (f), and 11 C.F.R. §§ 110.1(c)(1), 110.9.

COUNT III

***Against Respondents Michael Bloomberg; Michael Bloomberg 2020, Inc.; and DNC
Illegally Making and Accepting Contributions in the Name of Another
in Violation of 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(i), (iv)***

37. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

38. 52 U.S.C. § 30122 provides, "No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." *Accord* 11 C.F.R. § 110.4(b)(i), (iv).

39. BLOOMBERG contributed nearly \$1 billion of his personal funds to MICHAEL BLOOMBERG 2020, INC.

40. MICHAEL BLOOMBERG 2020, INC. did not receive or accept contributions from any source other than BLOOMBERG.

41. All funds in MICHAEL BLOOMBERG 2020, INC.'s account are subject to BLOOMBERG's direction and control.

42. BLOOMBERG's plenary authority over the funds in his candidate account is confirmed by the fact he retains unilateral discretion to refund them to his personal account at any time.

43. Under the unique circumstances of this case, where BLOOMBERG is the source of all the funds in MIKE BLOOMBERG 2020, INC.'s account; BLOOMBERG controls the funds in that account; and may completely refund to his personal account all of those funds at any time, a contribution from MIKE BLOOMBERG 2020, INC. to the DNC must be treated as a contribution from BLOOMBERG himself to the DNC.

44. By using MIKE BLOOMBERG 2020, INC. as a vehicle through which to transfer his personal funds to the DNC, BLOOMBERG transferred, or is transferring, his funds to the DNC in the name of another.

45. The DNC has knowingly accepted, or is accepting, funds transferred to it in the name of another.

WHEREFORE Respondents BLOOMBERG; MIKE BLOOMBERG 2020, INC.; and DNC violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(i), (iv).

COUNT IV
Against Respondent Michael Bloomberg
Excessive Contribution from Respondent Michael Bloomberg
to Unknown State Party Committees
in Violation of 52 U.S.C. § 30116(a)(1)(D) and 11 C.F.R. § 110.1(c)(5)

46. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

47. 52 U.S.C. § 30116(a)(1)(D) and 11 C.F.R. § 110.1(c)(5) specify that a person may contribute no more than \$10,000 annually to a state political party committee.

48. BLOOMBERG has transferred, or will be transferring, several “former field offices to state parties and help accelerate the hiring pace for important positions in organizing, data, and operations across key battlegrounds states.”

49. BLOOMBERG is making this contribution from his candidate account, which is subject to his direction and control.

50. BLOOMBERG contributed all of the funds in his candidate account; he did not he did not solicit nor accept a single dollar from any other source.

51. BLOOMBERG’s plenary authority over the funds in his candidate account is confirmed by the fact he retains unilateral discretion to refund them to his personal account at any time. *See Pike for Congress, A.O. 2010-15, at 2-3 (Aug. 26, 2010).*

52. Under the unique circumstances of this case, where BLOOMBERG is the source of all the funds in MIKE BLOOMBERG 2020, INC.’s account; BLOOMBERG controls the funds in that account; and may completely refund to his personal account all of those funds at any time, a contribution from MIKE BLOOMBERG 2020, INC. to a state party must be treated as a contribution from BLOOMBERG himself to the state party.

53. The value of BLOOMBERG's former field offices, as well as its assistance in "accelerat[ing] the hiring pace for important positions," substantially exceeds \$10,000 per state party.

54. Allowing BLOOMBERG to contribute substantial amounts of his own funds to state Democratic parties by laundering them through his now-defunct presidential campaign account would facilitate circumvention of the FECA's contribution limits. Any millionaire, billionaire, or other egotistical plutocrat could easily circumvent the FECA's limits simply by establishing a candidate committee, contributing his or her personal funds into it, and then transferring those funds to a Democratic state party.

WHEREFORE Respondent Michael Bloomberg violated 52 U.S.C. § 30116(a)(1)(D) and 11 C.F.R. § 110.1(c)(5).

COUNT V

Against Respondent Mike Bloomberg 2020, Inc.
Excessive Contribution from Respondent Mike Bloomberg 2020, Inc. to DNC
in Violation of 52 U.S.C. §§ 30114(a)(4), 30116(a)(1)(B),
and 11 C.F.R. §§ 110.1(c)(1), 113.2(c)

55. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

56. In the alternative, if the Commission finds no basis to proceed with Counts I through IV and concludes that the challenged \$18 million contribution to the DNC cannot be attributed to BLOOMBERG himself, then MIKE BLOOMBERG 2020, INC. has made, or is making, an illegally excessive contribution to the DNC.

57. 52 U.S.C. 30116(a)(1)(B) and 11 C.F.R. § 110.1(c)(1), as adjusted for inflation, *see* 84 FED. REG. 2504, specify that a person may contribute no more than \$35,500 annually to a national political party committee. A person may also contribute a maximum of \$106,500 to each

of a national political party committee's three special segregated *McCutcheon* accounts, 52 U.S.C. § 30116(a)(1)(B), (a)(9), for a total of \$355,000.

58. The term "person" includes committees. 52 U.S.C. § 30101(11); 11 C.F.R. § 100.10.

59. The \$18 million contribution from MIKE BLOOMBERG 2020, INC. to the DNC grossly violated the annual contribution limit.

60. 52 U.S.C. § 30114(a)(4) specifies that "[a] contribution accepted by a candidate . . . may be used by the candidate . . . for transfers, without limitation, to a national, State, or local committee of a political party." *Accord* 11 C.F.R. § 113.2(c).

61. A candidate's expenditures of his or her personal funds, including contributions to his or her campaign account, do not qualify as "a contribution accepted by a candidate" for purposes of 52 U.S.C. § 30114(a)(4). A candidate cannot "accept" personal funds the candidate him- or herself is contributing to his or her campaign.

62. All of MIKE BLOOMBERG 2020, INC.'s funds were contributions from BLOOMBERG's personal funds. BLOOMBERG has not "accepted" any contributions that fall within 52 U.S.C. § 30114(a)(4)'s special unlimited transfer provisions. Accordingly, 52 U.S.C. § 30114(a)(4) does not authorize MIKE BLOOMBERG 2020, INC. to contribute the unlimited funds it received from BLOOMBERG to the DNC.

63. Thus, any funds BLOOMBERG contributed to MIKE BLOOMBERG 2020, INC. remain subject to 52 U.S.C. § 30116(a)(1)(B)'s and 11 C.F.R. § 110.1(c)(1)'s limits on contributions to national party committees.

WHEREFORE Respondent Mike Bloomberg 2020, Inc. violated 52 U.S.C. §§ 30114(a)(4), 30116(a)(1)(B) and 11 C.F.R. §§ 110.1(c)(1), 113.2(c).

COUNT VI
Against Respondent DNC
Receipt of Excessive Contribution from Respondent Mike Bloomberg 2020, Inc.
in Violation of 52 U.S.C. § 30116(a)(1)(B), (f)
and 11 C.F.R. §§ 110.1(c)(1), 110.9

64. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

65. If the Commission finds no basis to proceed with Counts I through IV and concludes the challenged \$18 million contribution to the DNC cannot be attributed to BLOOMBERG himself, then the DNC has accepted, or is accepting, an illegally excessive contribution from MIKE BLOOMBERG 2020, INC.

66. 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 prohibit a political committee from knowingly accepting contributions in excess of FECA's limits.

67. 52 U.S.C. § 30116(a)(1)(B) and 11 C.F.R. § 110.1(c)(1)(i), as adjusted for inflation, *see* 84 FED. REG. 2504, specify that a person may contribute no more than \$35,500 annually to a national political party committee. A person may also contribute a maximum of \$106,500 to each of a national political party committee's three special segregated *McCutcheon* accounts, 52 U.S.C. § 30116(a)(1)(B), (a)(9), for a total of \$355,000.

68. The term "person" includes committees. 52 U.S.C. § 30101(11); 11 C.F.R. § 100.10.

69. The DNC has accepted, or will be accepting a contribution of approximately \$18 million from MIKE BLOOMBERG 2020, INC. in violation of this limit.

70. 52 U.S.C. § 30114(a)(4) specifies "[a] contribution accepted by a candidate . . . may be used by the candidate . . . for transfers, without limitation, to a national, State, or local committee of a political party." *Accord* 11 C.F.R. § 113.2(c).

71. A candidate's expenditures of his or her personal funds, including contributions to his or her campaign account, do not qualify as "a contribution accepted by a candidate" for purposes of 52 U.S.C. § 30114(a)(4). A candidate cannot "accept" personal funds the candidate him- or herself is contributing to his or her campaign.

72. All of MIKE BLOOMBERG 2020, INC.'s funds were contributions from BLOOMBERG's personal funds. BLOOMBERG has not "accepted" any contributions that fall within 52 U.S.C. § 30114(a)(4)'s special unlimited transfer provisions. Accordingly, 52 U.S.C. § 30114(a)(4) does not authorize MIKE BLOOMBERG 2020, INC. to contribute the unlimited funds it received from BLOOMBERG to the DNC.

73. Thus, any funds BLOOMBERG contributed to MIKE BLOOMBERG 2020, INC. remain subject to 52 U.S.C. § 30116(a)(1)(B)'s and 11 C.F.R. § 110.1(c)(1)'s limits on contributions to national party committees.

74. Allowing the DNC to accept \$18 million of BLOOMBERG's funds simply because he laundered them through his now-defunct presidential campaign account would facilitate circumvention of the FECA's contribution limits. Permitting this scheme would enable the DNC to receive limitless funds from millionaires, billionaires, and other egotistical plutocrats.

WHEREFORE Respondent DNC violated 52 U.S.C. § 30116(a)(1)(B), (f), and 11 C.F.R. §§ 110.1(c)(1), 110.9.

COUNT VII
Against Respondent Mike Bloomberg 2020, Inc.
Excessive Contribution from Respondent Mike Bloomberg 2020, Inc.
to Unknown State Party Committees
in Violation of 52 U.S.C. §§ 30114(a)(4), 30116(a)(1)(D)
and 11 C.F.R. §§ 110.1(c)(5), 113.2(c)

75. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

76. In the alternative, if the Commission finds no basis to proceed with Counts I through IV and concludes the challenged contributions cannot be attributed to BLOOMBERG himself, then MIKE BLOOMBERG 2020, INC. has made, or is making, illegally excessive contributions to state political parties.

77. 52 U.S.C. § 30116(a)(1)(D) and 11 C.F.R. § 110.1(c)(5) specify a person may contribute no more than \$10,000 annually to a state political party committee.

78. The term “person” includes committees. 52 U.S.C. § 30101(11); 11 C.F.R. § 100.10.

79. MIKE BLOOMBERG 2020, INC. has transferred, or will be transferring “several of its former field offices to state parties and help accelerate the hiring pace for important positions in organizing, data, and operations across key battlegrounds states.”

80. The value of MIKE BLOOMBERG 2020 INC.’s former field offices, as well as its assistance in “accelerat[ing] the hiring pace for important positions,” substantially exceeds \$10,000 per state party.

81. 52 U.S.C. § 30114(a)(4) specifies “[a] contribution accepted by a candidate . . . may be used by the candidate . . . for transfers, without limitation, to a national, State, or local committee of a political party.” *Accord* 11 C.F.R. § 113.2(c).

82. A candidate's expenditures of his or her personal funds, including contributions to his or her campaign account, do not qualify as "a contribution accepted by a candidate" for purposes of 52 U.S.C. § 30114(a)(4). A candidate cannot "accept" personal funds that the candidate him- or herself is contributing to his or her campaign.

83. All of MIKE BLOOMBERG 2020, INC.'s funds were contributions from BLOOMBERG's personal funds. BLOOMBERG has not "accepted" any contributions that are subject to 52 U.S.C. § 30114(a)(4)'s unlimited transfer provisions. Accordingly, 52 U.S.C. § 30114(a)(4) does not authorize MIKE BLOOMBERG 2020, INC. to contribute the unlimited funds it received from BLOOMBERG to state Democratic party committees.

84. Thus, any funds that BLOOMBERG contributed to MIKE BLOOMBERG 2020, INC. remain subject to 52 U.S.C. § 30116(a)(1)(D)'s and 11 C.F.R. § 110.1(c)(5)'s limits on contributions to state party committees.

WHEREFORE Respondent Mike Bloomberg 2020, Inc. violated 52 U.S.C. §§ 30114(a)(4), 30116(a)(1)(D) and 11 C.F.R. §§ 110.1(c)(5), 113.2(c).

Count VIII

Against Respondent Michael Bloomberg

Excessive Contribution from Respondent Michael Bloomberg to Respondent Mike Bloomberg 2020, Inc.

in Violation of 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. §§ 110.1(b)(1), 110.10

85. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

86. If the Commission finds no basis to proceed with Counts I through IV and concludes the challenged \$18 million contribution to the DNC cannot be attributed to BLOOMBERG himself, then BLOOMBERG violated federal contribution limits—either by:

a. contributing a total of nearly \$1 billion to his candidate committee, MIKE BLOOMBERG 2020, INC., or

b. specifically by contributing the \$18 million of funds to MIKE BLOOMBERG 2020, INC. that was later transferred to the DNC.

87. 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. § 110.1(b)(1), as adjusted for inflation, provide that no person may contribute more than \$2,800 per election to a candidate committee.

88. The Supreme Court has held candidates have a First Amendment right to make unlimited expenditures from their personal funds in support of their candidacies. *Buckley*, 424 U.S. at 51. The Court repeatedly distinguished between expenditures and contributions, and did not suggest candidates had a comparable right to make unlimited contributions to any candidate committees, including their own.

89. 11 C.F.R. § 110.10 provides, with certain inapplicable exceptions, “[C]andidates for Federal office may make unlimited expenditures from personal funds” Neither that regulation, nor any other statute or regulation, allows candidates to make unlimited contributions—including contributions to their own political committees—from their own funds.⁸

90. The Commission has issued advisory opinions under materially different circumstances stating a candidate’s right to “make unlimited expenditures from his or her personal funds[] includ[es] contributions to the candidate’s principal campaign committee.” *Mulloy*, AO 1984-60, at 2 (Jan. 11, 1985); *accord Collins*, AO 1985-33 at 1 (Nov. 22, 1985). These advisory opinions do not cite any legal provisions—apart from the facially inapplicable 11 C.F.R. § 110.10—to support the conclusion that candidates may contribute unlimited amounts of personal funds to their own campaign committees.

⁸ This provision exists so candidates can use their campaign committees’ periodic FEC reports to disclose expenditures made with their funds in support of their campaigns.

91. Even if, in general, candidates may contribute unlimited personal funds to their campaign committees for the purpose of subsidizing their own campaigns, no Advisory Opinions suggest that, a few days, weeks, or months later, the candidate may then re-contribute that money to a political party committee. A candidate's right to transfer unlimited amounts of personal funds to his or her campaign committee does not include the completely unrelated right to transfer such funds to third-party entities such as political party committees.

92. Any contributions from BLOOMBERG to MIKE BLOOMBERG 2020, INC. in excess of \$2,800 per election violated the plain text of 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. § 110(b)(1), and were not authorized by 11 C.F.R. § 110.10. In the alternative, insofar as BLOOMBERG's contributions to MIKE BLOOMBERG 2020, INC. were subsequently transferred to the DNC or Democratic state parties, those particular funds may not be regarded as expenditures in support of Bloomberg's campaign, and therefore are not authorized by either 11 C.F.R. § 110.10 or FEC Advisory Opinions reaffirming the right of candidates to support their campaigns by making unlimited contributions to their candidate committees. Thus, at a minimum, BLOOMBERG illegally contributed \$18 million to MIKE BLOOMBERG 2020, INC., to be illegally laundered and funneled to the DNC and Democratic state parties.

93. BLOOMBERG cannot exploit a regulation, 11 C.F.R. § 110.10, ostensibly permitting him to make unlimited *expenditures* from his personal funds in support of his own campaign to instead funnel \$18 million in *contributions* from his personal funds to the DNC. Even if the contributions BLOOMBERG made to MIKE BLOOMBERG 2020, INC. that were used in support of his campaign activities were permissible under 11 C.F.R. § 110.10, the \$18 million that MIKE BLOOMBERG 2020, INC. is transferring to the DNC is not.

WHEREFORE Respondent Michael Bloomberg violated 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. §§ 110.1(b)(1) and 110.10.

Count IX

Against Respondent Mike Bloomberg 2020, Inc.
Excessive Earmarked Contribution from Respondent Mike Bloomberg 2020, Inc.
on Behalf of the Democratic Presidential Nominee
in Violation of 52 U.S.C. § 30116(a)(1)(A), (a)(8) and 11 C.F.R. §§ 110.6(a), 110.1(b)(1)

94. Complainant re-alleges the allegations of the foregoing paragraphs as if set forth fully herein.

95. If the Commission finds no basis to proceed with Counts I through IV and concludes that the challenged \$18 million contribution to the DNC cannot be attributed to BLOOMBERG himself, then MIKE BLOOMBERG 2020, INC. violated federal contribution limits by earmarking its \$18 million contribution to the DNC to be used for the benefit of the Democratic nominee for President.

96. 52 U.S.C. § 30116(a)(8) provides, “[A]ll contributions made by a person, *either directly or indirectly, on behalf of a particular candidate*, . . . shall be treated as contributions from such person to such candidate.” *Accord* 11 C.F.R. § 110.6(a).

97. 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. § 110.1(b)(1), as adjusted for inflation, provide that no person may contribute more than \$2,800 per election to a candidate committee.

98. The memo from MIKE BLOOMBERG 2020, INC. to the Chair of the DNC states in relevant part:

As Mike said throughout the campaign, he would support whomever the eventual Democratic nominee is, as well as Democrats in key races It is critically important that we all do everything we can to support our eventual nominee and scale the Democratic Party’s general election efforts. . . . That is why Mike Bloomberg 2020 has decided to make a transfer of \$18 million to the Democratic National Committee’s organizing efforts and Coordinated Campaign to help Democrats win up and down the ballot this fall. In particular, we hope this

investment will dramatically expand the DNC's Battleground Build-Up 2020 efforts across battleground states”

99. MIKE BLOOMBERG 2020, INC.'s explanation of the terms and intent of its \$18 million contribution to the DNC demonstrate that, at the very least it was made indirectly on behalf of the Democratic Party's eventual nominee for President (which, at the time the memorandum was issued, was overwhelmingly likely to be former Vice President Joe Biden, who BLOOMBERG has expressly endorsed). Accordingly, the \$18 million contribution, in whole or in part, must be treated and reported as an earmarked contribution from MIKE BLOOMBERG 2020, INC. to the presidential candidate who receives the Democratic Party's nomination for President (which at this point is virtually certain to be former Vice President Biden).

100. MIKE BLOOMBERG 2020, INC.'s contribution violates federal limits on contributions from candidate committees to other candidates.

WHEREFORE Respondent Mike Bloomberg 2020, Inc. violated 52 U.S.C. §§ 30116(a)(1)(A), (a)(8) and 11 C.F.R. §§ 110.6(a), 110.1(b)(1).

CONCLUSION

For these reasons, Complainant Great America PAC respectfully requests the Federal Election Commission commence enforcement proceedings against Respondents BLOOMBERG; MIKE BLOOMBERG 2020, INC.; and the DNC.

VERIFICATION

I declare under penalty of perjury the foregoing is true and correct to the best of my personal knowledge.

Dated March 24, 2020

Respectfully submitted,



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Counsel for Complainant
Great America PAC

COMPLETED BEFORE A NOTARY PUBLIC

State of Virginia

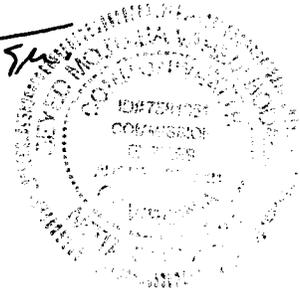
City of Vienna

County of Fairfax

Subscribed and sworn to before me on this 24 day of March, 20 20.

My Commission expires on 8-31-2021.

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2020 Presidential Campaign Blog

Mike Bloomberg 2020 Makes Transfer of \$18 Million to Democratic National Committee

MIKE BLOOMBERG 2020 MAKES TRANSFER OF \$18 MILLION TO DEMOCRATIC NATIONAL COMMITTEE

NEW YORK — Today, Mike Bloomberg 2020 announced a transfer of \$18 million to the Democratic National Committee's (DNC) Coordinated Campaign to help Democrats win up and down the ballot in November. This is the largest transfer from a presidential campaign in recent history. Additionally, Mike Bloomberg 2020 will also transfer several of its former field offices to state parties and help accelerate the hiring pace for important positions in organizing, data, and operations across key battleground states. The campaign believes this investment will dramatically expand the DNC's Battleground Build-Up 2020 efforts across battleground states, drawing in part from our own incredibly experienced and talented organizing staff. Staff in the six battleground states notified today will be employed and paid through the first week in April and have full benefits through the end of April.

Below is a memo from the Mike Bloomberg 2020 campaign to Tom Perez, Chair of the Democratic National Committee, outlining next steps.

TO: Tom Perez, Chair of the Democratic National Committee

FROM: Mike Bloomberg 2020 Campaign

DATE: March 20, 2020

RE: Bloomberg Campaign Next Steps

There is no greater threat to our Democracy than the current occupant in the White House, and Mike launched his campaign with the fundamental goal of defeating him and energizing Democratic victories up and down the ballot.

During Mike's campaign, we made defeating Donald Trump a priority, including organizing early in states that don't often get Primary attention and through a \$275 million media blitz to remind voters of President Trump's failures and broken promises. We also did not run any negative TV ads against fellow Democratic candidates. Until our campaign kicked off this effort, Trump was the only candidate on either side who was campaigning and holding rallies in the key states that will decide the 2020 election.

As Mike said throughout the campaign, he would support whomever the eventual Democratic nominee is, as well as Democrats in key races that we must elect to help undo the damage President Trump has done in office. While our campaign has ended, Mike's number one objective this year remains defeating Trump and helping Democrats win in November. The existential threat posed by Trump has become abundantly clear in his complete mismanagement of the Coronavirus crisis — a crisis that has profound implications for our economy, our public health and our way of life. But we should also not assume that Trump's incompetence will be enough to make him a one-term President. Trump's ability to lie and propagate misinformation, particularly using digital tools and other means with swing voters in battleground states, will continue to ensure a close race in November. Every decision we make as Democrats must account for this.

While we considered creating our own independent entity to support the nominee and hold the President accountable, this race is too important to have many competing groups with good intentions but that are not coordinated and united in strategy and execution. The dynamics of the race have also fundamentally changed, and it is critically important that we all do everything we can to support our eventual nominee and scale the Democratic Party's general election efforts.

We therefore believe the best thing we can all do over the next eight months is to help the group that matters most in this fight: the Democratic National Committee.

That is why Mike Bloomberg 2020 has decided to make a transfer of \$18 million to the Democratic National Committee's organizing efforts and Coordinated Campaign to help Democrats win up and down the ballot this fall. In particular, we hope this investment will dramatically expand the DNC's Battleground Build-Up 2020 efforts across battleground states, drawing in part from our own incredibly experienced and talented organizing staff.

Mike Bloomberg 2020 will also transfer several of its former field offices to state parties and help accelerate the hiring pace for important positions in organizing, data, and operations across key battleground states.

Mike Bloomberg entered this race to ensure Democrats win — keeping the House blue, flipping the Senate, winning key state and local races, and taking back the White House — and this commitment through November helps do exactly that. By supporting the Democratic Party, we look forward to November and taking on our unified goal of beating Donald Trump.

3/25/2020

Mike Bloomberg 2020 Makes Transfer of \$18 Million to Democratic National Committee - 2020 Presidential Campaign Blog

Exhibit 1

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