



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEB 10 2014

Rosa Alvarez, Treasurer
Todd Long for Congress (2010)
339 Carolina Ave.
Suite 210
Winter Park, FL 32789-3150

RE: MUR 6638
Todd Long for Congress (2010)

Dear Ms. Alvarez:

On January 24, 2013, the Federal Election Commission ("Commission") notified Todd Long for Congress (2010) and you in your official capacity as treasurer of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information provided by you, the Commission voted to dismiss this matter on February 4, 2014. The Factual and Legal Analysis, which more fully explains the Commission's decision, is enclosed for your information.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009).

If you have any questions, please contact Margaret R. Howell, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Blumberg", with a long horizontal flourish extending to the right.

Peter Blumberg
Assistant General Counsel

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Todd Long for Congress (2010) and
Rosa Alvarez in her official capacity as treasurer

MUR 6638

This matter was generated by a complaint filed with the Federal Election Commission by Scott Randolph alleging that, in 2009, William Todd Long entered into a “personal obligation to purchase a significant number of copies” of a book that he “co-published” with a publishing firm called Creation House. Compl. at 1 (Aug. 31, 2012). It further alleges that Long and his campaign committees used \$44,499.99 in campaign funds to purchase copies of the book in 2009 and 2010 in fulfillment of that personal obligation, and an additional \$6,510 to mail out copies of the book in 2012. *Id.* at 1-2.

The Complaint alleges that Long and his campaign committees violated the Federal Election Campaign Act of 1971, as amended (the “Act”), and the Commission’s “personal use” regulation by using campaign funds to fulfill a personal obligation of the candidate. *Id.* at 3. The Complaint further alleges that the respondents “knowingly and corruptly attempt[ed] to cover up this substantial theft of campaign funds by filing false reports with the . . . Commission.” *Id.* For reasons set forth below, the Commission concludes that further enforcement action would not be an efficient use of the Commission’s resources and exercises its prosecutorial discretion to dismiss this matter.

Long ran for Congress in Florida’s 8th Congressional District in 2008 and 2010, and in the 9th Congressional District in 2012. Todd Long for Congress was Long’s principal campaign committee for the 2010 election and Rosa Alvarez served as its treasurer (collectively, the “2010 Committee” or the “respondents”). The 2010 Committee filed a Statement of Organization with the Commission on October 30, 2009, and was terminated on September 2, 2010.

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1 Complainant alleges that, in 2009, Long entered into a co-publishing agreement with
2 Creation House to publish a book entitled *The Conservative Comeback: How To Win The Battle*
3 *For The Soul Of America*. *Id.* The Complaint includes a copy of the Creation House 2010
4 Catalog, which identifies Long as the author of a book by that same name, at a retail price of
5 \$12.99. *Id.*, Ex. 1 at 6. The Complaint states that Long, the host of a radio talk show called *The*
6 *Conservative Comeback* that aired in Central Florida on 540 WFLA AM, was attempting to
7 “bolster his career as a radio talk show host by entering into a contract with a vanity publisher to
8 co-publish a book with the same name as his radio show.” Compl. at 1, 3.

9 The Complaint quotes the terms found on Creation House’s website and alleges that,
10 under the terms of Long’s agreement with Creation House, Long had a “personal obligation to
11 purchase a significant number of copies” of the book and that Creation House would agree to
12 “pay [the author] a royalty for each book [it] sell[s].” *Id.* at 1. The Complaint contends that the
13 respondents violated the “personal use” prohibitions of the Act and Commission regulations
14 when the campaign assumed Long’s personal obligation by disbursing \$44,499.99 to purchase
15 copies of his book during the 2010 election cycle, and by using \$6,510 in campaign funds in
16 2012 for mailing expenses to mail copies of the books. *Id.* at 2-3.

17 In addition to Long’s “personal obligation” to purchase books based on the alleged
18 agreement, the Complaint identifies other factors that it contends indicate that Long’s debt was
19 personal and incurred irrespective of his 2010 and 2012 campaigns. For instance, an affidavit
20 that Long executed on April 6, 2011, as part of his divorce proceeding lists a \$2,720 debt to
21 “Strang Communications” among Long’s personal liabilities. *Id.*, Ex. 2 at 9. Further, the
22 Complaint asserts that the 2010 Committee’s failure to initially disclose the book payment
23 reflects that Long “tried to hide” the payment, and attempted to “cover up” the “theft” by filing

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1 “false” disclosure reports. *Id.* at 2-3. Specifically, the Complaint states that the 2010 April
2 Quarterly Report disclosed two \$10,833.33 payments to Strang Communications, listing the
3 purpose as “check.” *Id.* at 2. After the Reports Analysis Division (“RAD”) sought clarification
4 through a Request for Additional Information (“RFAI”), the 2010 Committee amended its April
5 Quarterly Report, describing the purpose of one disbursement as “books/printing” and the other
6 as “books.” *Id.*, Ex. 9 at 2.

7 In addition to the disbursements to Strang Communications, the 2010 Committee
8 reported \$1,533 in other book-related disbursements, including gas for book delivery and for
9 postage. The Complaint states that Long “continue[d] to use campaign funds to distribute
10 copies” of the book in 2012 based on disbursements totaling \$6,510 for postage and mailing.
11 The chart below lists book-related disbursements disclosed by Long’s campaign committees
12 from 2009 through 2012 (amounts with asterisk not identified in Complaint):

13 Book-related Disbursements Disclosed by 2010 and 2012 Committees

Date	Amount	Payee	Purpose
12/04/09	\$10,833.33	Strang Communications	Books
2/04/10	\$10,833.33	Strang Communications	books/printing
2/22/10	\$10,833.33	Strang Communications	Books
5/28/10	\$128.00*	Andrew Monk	Gas for book delivery
6/01/10	\$4,000.00	Strang Communications	Printing
7/19/10	\$4,000.00	Strang Communications	Printing
8/04/10	\$4,000.00	Strang Communications	Printing
8/19/10	\$731.00*	US Post Office	postage for books
8/19/10	\$674.00*	US Postal Service	mail books
7/13/12	\$1,240.00	Postmaster	stamps for books
7/17/12	\$2,470.00	Postmaster	stamps for books
7/18/12	\$2,800.00	Iamsco Mail	mailing books
Total	\$52,542.99		

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1 The response of the 2010 Committee mainly addresses the amended 2010 April Quarterly
2 Report in response to the RFAI from RAD. It states that “that report was done with care and per
3 the rules as [the treasurer] knew them to be,” and that “[the treasurer] spen[t] an exorbitant
4 amount of time to correct the mistake.” 2010 Comm. Resp. at 1 (Feb. 14, 2013). The 2010
5 Committee does not address the “personal use” allegations but denies knowledge of any issues or
6 statements related to Long’s divorce.

7 In his response, Long acknowledges that he entered into a book agreement with Creation
8 House in 2009. Long Resp. at 1 (Sept. 26, 2012). He does not dispute the Complaint’s
9 description of the terms of the co-publishing agreement; rather, he asserts that he purchased
10 copies of his book with his own money. *Id.* Long further notes that “[w]hen [he] decided to run
11 for Congress during the 2010 election, the campaign purchased many more books . . . which
12 were distributed to over 20,000 voters in the district, some mailed and some hand delivered.” *Id.*
13 Long asserts that “at no time did [he] profit from any of these books we purchased for the
14 campaign and at no time did [he] use campaign funds for any personal debts.” *Id.*

15 Long states that, in the 2012 election, “the campaign once again distributed books” that
16 he “had purchased personally in the primary for which costs were incurred.”¹ *Id.* Long concedes
17 that he “did owe Strang Communications a very small amount of money for books [he] had
18 personally purchased from them, (which [the complaint] referred to . . . [in the] financial
19 affidavit in the divorce proceeding),” but claims that he “believe[s] it was just delivery costs,”
20 which he has “since repaid . . . with [his] own funds.” *Id.*

¹ The primary election occurred on August 14, 2012. As indicated in the above chart, the 2012 Committee disclosed three book-related disbursements in July 2012.

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1 Long asserts that he entered into the publishing agreement in 2009, at which time he
2 purchased some copies of his book under the agreement. The Committee asserts campaign funds
3 were not used to pay for any personal debts incurred. Long further asserts that the campaign
4 purchased and distributed over 20,000 copies for campaign-related purposes and he did not
5 personally profit from the book purchases. Based on these representations, it appears that the
6 campaign book purchases in 2010 may have occurred after Long's contractual obligations were
7 met,² but even if the Committee assumed Long's personal obligation, it may have been a
8 permissible use of campaign funds. Moreover, the large amount Long contributed or loaned to
9 his campaign at the time that the Committee purchased the books relative to the size of the
10 expenditure for books circumstantially rebuts suggestions that Long needed the campaign to
11 fulfill any personal obligation that he may have had to Strang Communications.

12 Given the circumstances in this matter, the Commission concludes that further
13 enforcement action would not be an efficient use of the Commission's resources. Furthermore,
14 the Commission granted the 2010 Committee's termination request in September 2010.
15 Accordingly, the Commission dismisses the allegations that the 2010 Committee violated
16 2 U.S.C. § 439a(b) and 11 C.F.R. § 113.1(g).³

17 As stated earlier, in response to an RFAI dated June 8, 2010, the 2010 Committee
18 amended its 2010 April Quarterly Report by describing the purpose of one of the \$10,833.33
19 disbursements at issue as "books/printing" and the other as "books." Given that the Committee
20 amended its reports approximately one month after the RFAI was sent and further clarified its
21 description of the disbursements another month after its first amendment, and in light of the 2010

² The Respondents did not provide a copy of the contract between Long and his publisher that could verify this inference.

³ *Heckler v. Chaney*, 470 U.S. 821 (1985).

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- 1 Committee's status as terminated, the Commission dismisses the allegation that 2010 Committee
- 2 filed erroneous reports in connection with these disbursements.

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