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BEFORE THE FEDERAL ELECTION COMMISSION

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In the Matter of)
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MUR 6681)
Jill Stein for President)
and James Moran as Treasurer)
Green Party of Virginia Federal PAC)
and Kirit Mookerjee as Treasurer)
SteppingStone Industries, Inc.)
)

DISMISSAL AND
CASE CLOSURE UNDER
THE ENFORCEMENT PRIORITY
SYSTEM

GENERAL COUNSEL'S REPORT

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Under the Enforcement Priority System, the Commission uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue. These criteria include, without limitation, an assessment of the following factors: (1) the gravity of the alleged violation, taking into account both the type of activity and the amount in violation; (2) the apparent impact the alleged violation may have had on the electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in potential violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), and developments of the law. It is the Commission's policy that pursuing relatively low-rated matters on the Enforcement docket warrants the exercise of its prosecutorial discretion to dismiss cases under certain circumstances, or, where the record indicates that no violation of the Act has occurred, to make no reason to believe findings. The Office of General Counsel has scored MUR 6681 as a low-rated matter and determined that it should not be referred to the Alternative Dispute Resolution Office.¹

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For the reasons set forth below, the Office of General Counsel recommends that the Commission find no reason to believe that Jill Stein for President and James Moran, in his official capacity as treasurer ("Stein Committee"), and SteppingStone Industries, Inc. ("SSI"), violated the

¹ The EPS rating information is as follows: Complaint Filed: October 31, 2012. Response from Jill Stein for President Filed: November 28, 2012. Response from Green Party of Virginia Federal PAC Filed: December 6, 2012. Response from SteppingStone Industries, Inc. Filed: November 14, 2012.

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1 Act or Commission regulations in MUR 6681, and recommends that the Commission dismiss the
2 allegations regarding the Green Party of Virginia Federal PAC and Kirit Mookerjee, in his official
3 capacity as treasurer ("GPVA"), pursuant to *Heckler v. Chaney*, 470 U.S. 821 (1985).

4 Complainant Glenda Gail Parker alleges that the Stein Committee² violated 52 U.S.C.
5 § 30118(a) by knowingly accepting \$7,755 in prohibited in-kind corporate contributions from
6 Parker's company, SSI.³ Compl. at 3. It appears that the alleged in-kind contributions involve an
7 unresolved debt dispute. Specifically, Complainant alleges that between March 2012 and July
8 2012, she collected signatures to help Jill Stein gain access to the Virginia ballot as a Green Party
9 presidential candidate. *Id.* at 1-2. Complainant states that she advised GPVA of her petitioning
10 efforts on Stein's behalf and that she "provided signature count by Congressional District as
11 requested by [GPVA Committee Chair] Tom [Yager]." *Id.* at 2, Ex. 3. Complainant acknowledges
12 that "[a]n agreement was never finalized with the Stein campaign," but that email correspondence
13 with a representative of GPVA "led [her] to believe" she could expect payment for her petitioning
14 efforts. *Id.* at 2. Complainant states that her company provided GPVA and the Stein Committee
15 with an invoice for \$7,755 for the collection of 2,650 signatures for Stein's ballot access, but that
16 she has been told that "neither expects to pay [her] for this work." *Id.* Complainant contends that
17 the absence of payment for the petitioning services that she provided, while acting as the corporate
18 entity SSI, amounts to an "unwilling" excessive in-kind corporate contribution from SSI to the Stein
19 Committee, in violation of 52 U.S.C. § 30116(a)(1), and 52 U.S.C. § 30118(a).⁴ *Id.* at 3.

² The Stein Committee is the principal campaign committee of Jill Stein, unsuccessful Green Party candidate for President in 2012.

³ SteppingStone Industries, Inc. is registered as a corporation with the Commonwealth of Virginia. The registered agent is Glenda Gail Parker. *See* <https://sccfilefile.scc.virginia.gov/Business/05604566>.

⁴ In the Response, filed in Parker's capacity as owner and agent of SSI, Parker subsequently states that the unpaid services were not intended to be an [in-kind] contribution from SSI to the Stein campaign. *See* SSI Resp. at 1. The allegations of a violation of § 30118(a) are apparently an unintended consequence of the alleged in-kind contribution and appear to be, in essence, a debt dispute.

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1 The Stein Committee states that Jill Stein for President was never a client of Parker or SSI,
2 that Parker was never contracted for her services — which the Stein Committee states were “neither
3 wanted nor agreed to” — and that the petitioning efforts by Parker on behalf of Stein were
4 unsolicited. Stein Committee Resp. at 1, 3. Attached to the Response is apparent email
5 correspondence between Erika Wolf, associate campaign manager of the Stein Committee, and
6 Parker, in which Wolf states that the Stein Committee did not contract with Parker or SSI for
7 petitioning work, and that if an understanding with GPVA had been reached, it was not authorized
8 by the Stein Committee. *Id.*, Attach.⁵

9 GPVA responded that “[n]either the Stein campaign nor the GPVA . . . ever entered into an
10 agreement or contracted to purchase Parker’s signatures,” and in the absence of such a contract,
11 Parker’s “independent” petitioning efforts amount to “a volunteer contribution of time and labor,”
12 not services for which she could expect compensation. GPVA Resp. at 1. GPVA acknowledges
13 that GPVA officers exchanged email communications with Parker and accepted Parker’s signatures
14 (on behalf of Stein), but maintains GPVA did not enter into a contract with Parker because neither
15 party could agree upon a price for Parker’s services. *Id.* at 1-2; Attach.

16 SSI (through its owner Glenda Gail Parker) states that the \$7,755 allegedly incurred by the
17 Stein Committee does not represent an [in-kind] contribution from SSI to the Stein campaign, but
18 rather is the total charge for “services that were provided in good faith.” SSI Resp. at 1.

19 The Complaint alleges that the Stein Committee failed to compensate SSI for claimed
20 services to the campaign for which it expected to be paid. This alleged failure to pay creates the
21 question as to whether a debt dispute existed between the parties. The Act and Commission

⁵ The Stein Committee Response includes a copy of a letter from the Stein Committee to Parker, signed by Wolf and dated September 19, 2012, which states that the Stein Committee “never entered into any sort of agreement, written or verbal, confirming payment for any services with [Parker] or [SSI],” that the Committee “consider[ed] this matter to be closed and our balance with [Parker] and [SSI] to be \$0.00.” Stein Committee Resp. at 7.

1 regulations require political committees to continuously report the amount and nature of outstanding
2 debts until those debts are extinguished. 52 U.S.C. § 30104(b)(8); 11 C.F.R. §§ 104.3(d) and
3 104.11(a)-(b). This reporting requirement applies both to “estimated debts,” *see* 11 C.F.R.
4 § 104.11(b), and “disputed debts,” *see id.* § 116.10(a).

5 If a “disputed debt” exists, the political committee must report the disputed debt if the
6 creditor has provided “something of value” to the political committee. *Id.* A “disputed debt” is “an
7 actual or potential debt or obligation owed by a political committee, including an obligation arising
8 from a written contract, promise or agreement to make an expenditure, where there is a bona fide
9 disagreement between the creditor and the political committee as to the existence or amount of the
10 obligation owed by the political committee.” 11 C.F.R. § 116.1(d).⁶

11 Here the available information does not indicate that the Complainant’s claim against the
12 Stein Committee rises to the level of a dispute under 11 C.F.R. § 116.1(d), and, therefore, the Stein
13 Committee did not have an obligation to report a debt owed to SSI. The Complainant, the Stein
14 Committee, and GPVA indicated that there was never any agreement with the Stein Committee for
15 the Complainant’s petitioning services.⁷ Any possible disagreement between the parties in this
16 matter appears to be related to interaction between the Complainant and GPVA.⁸ Therefore, the
17 Office of General Counsel recommends that the Commission find no reason to believe that the
18 Stein Committee violated 52 U.S.C. § 30104(b)(8); 52 U.S.C. § 30116(a)(1); 52 U.S.C.
19 § 30118(a); or 11 C.F.R. §§ 104.3(d) and 104.11(a)-(b).

⁶ Until the dispute is resolved, the political committee must disclose any amounts paid to the creditor, any amount the political committee admits it owes, and the amount the creditor claims is owed. 11 C.F.R. § 116.10(a).

⁷ There is no indication that a disputed debt has ever existed between the Complainant and the Stein Committee. It does not appear that a debt had “arise[n] from a written contract, promise or agreement to make an expenditure” between the Complainant and the Stein Committee, and no showing has been made of a “bona fide disagreement” between the two parties. *See* 11 C.F.R. § 116.1(d).

⁸ The Stein Committee does not acknowledge the alleged amount at issue as either an estimated or disputed debt owed by the Committee.

1 As for the GPVA, based on the record before us, it is unclear as to whether the email
2 communications between GPVA and the Complainant, and GPVA's acceptance of the signatures
3 collected by the Complainant, created a "disputed debt," that GPVA was subsequently required to
4 disclose. The record reveals that while there were initial negotiations between the parties for
5 petitioning services, there was no final agreement on a price for services, nor any agreement that
6 the Complainant would be paid at all, thus creating a question as to the existence of any "disputed
7 debt." However, the available information indicates that Parker may have "provided something of
8 value" to GPVA by collecting and submitting the signatures for Stein's ballot access, and that
9 GPVA benefitted from the petitioning.⁹ Therefore, it is arguable as to whether GPVA had an
10 obligation to report a debt owed to SSI. In light of the ambiguity over the state of negotiations
11 between the parties, the Office of General Counsel recommends that the Commission exercise its
12 prosecutorial discretion and dismiss the allegations that GPVA violated 52 U.S.C. § 30104(b)(8);
13 52 U.S.C. § 30116(a)(1); 52 U.S.C. § 30118(a); or 11 C.F.R. §§ 104.3(d) and 104.11(a)-(b),
14 pursuant to *Heckler v. Chaney*, 470 U.S. 821 (1985). See MUR 6554 (*Friends of Weiner, et al.*).

15 Additionally, based on the available information — including statements provided by
16 Parker in her capacity as both Complainant and as Respondent SSI, affirming that there was never
17 any agreement with the Stein Committee, nor any intent for SSI to make a contribution — there is
18 no indication that SSI actually made an in-kind corporate contribution to the Stein Committee.
19 Thus, based on the record before us, it does not appear that SSI violated 52 U.S.C. § 30116(a)(1)
20 and 52 U.S.C. § 30118(a). Therefore, the Office of General Counsel recommends that the
21 Commission find no reason to believe that SSI violated 52 U.S.C. § 30116(a)(1) and 52 U.S.C.
22 § 30118(a).

⁹ See 11 C.F.R. § 116.10(a).

1 Finally, the Office of General Counsel recommends that the Commission approve the
2 attached Factual and Legal Analyses and the appropriate letters, and close the file.

3 RECOMMENDATIONS

- 4
5 1. Find no reason to believe that Jill Stein for President and James Moran, in his official
6 capacity as treasurer violated 52 U.S.C. § 30118(a); 52 U.S.C. § 30116(a)(1); 52 U.S.C.
7 § 30104(b)(8); or 11 C.F.R. §§ 104.3(d), 104.11(a)-(b) by receiving an in-kind corporate
8 contribution and failing to properly report an estimated or disputed debt;
9
10 2. Dismiss the allegations that Green Party of Virginia Federal PAC and Kirit Mookerjee, in
11 his official capacity as treasurer violated 52 U.S.C. § 30118(a); 52 U.S.C. § 30116(a)(1); 52
12 U.S.C. § 30104(b)(8); or 11 C.F.R. §§ 104.3(d), 104.11(a)-(b) by receiving an in-kind
13 corporate contribution and failing to properly report an estimated or disputed debt;
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15 3. Find no reason to believe that SteppingStone Industries, Inc. violated 52 U.S.C.
16 § 30118(a) and 52 U.S.C. § 30116(a)(1) by making an in-kind corporate contribution;
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18 4. Approve the attached Factual and Legal Analyses and the appropriate letters; and
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20 5. Close the file.

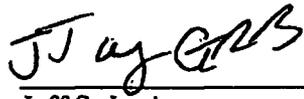
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General Counsel

BY:



Gregory R. Baker
Deputy General Counsel



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



Donald E. Campbell
Attorney
Complaints Examination
& Legal Administration