



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

February 12, 2024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Tancredi

Plainville, NY 11803

RE: MUR 8122
Lafazan for Congress, *et al.*

Dear Mr. Tancredi:

This is in reference to the Complaint you filed with the Federal Election Commission on March 15, 2023, concerning Lafazan for Congress and Alex Leibson in his official capacity as treasurer (the "Committee"), Joshua Lafazan, Bryan H. Lawrence and Elizabeth D. Lawrence. Upon review of the allegations in the Complaint and information provided by Respondents, on February 6, 2024, the Commission no reason to believe Bryan H. Lawrence and Elizabeth D. Lawrence violated 52 U.S.C. § 30116(a)(1)(A) by making excessive contributions, and no reason to believe they violated 52 U.S.C. § 30122 by making a contribution made in the name of another. In addition, the Commission found no reason to believe the Committee violated 52 U.S.C. § 30116(f) by accepting excessive contributions; no reason to believe the Committee violated 52 U.S.C. § 30122 by knowingly accepting a contribution made in the name of another; and no reason to believe the Committee 52 U.S.C. § 30104(b) by failing to report receipt of individual contributions. Further, the Commission found no reason to believe that Joshua Lafazan violated 52 U.S.C. § 30116(f) by accepting excessive contributions; and no reason to believe Joshua Lafazan violated 52 U.S.C. § 30122 by knowingly accepting a contribution made in the name of another. Accordingly, the Commission closed the file in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). The Factual and Legal Analysis, which more fully explains the Commission's findings is enclosed.

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 52 U.S.C. § 30109(a)(8).

MUR 8122 (Lafazan for Congress, *et al.*)

Letter to Mr. Tancredi

Page 2 of 2

If you have any questions, please contact Christine C. Gallagher, the attorney assigned to this matter, at (202) 694-1650 or cgallagher@fec.gov.

Sincerely,

Lisa J. Stevenson
Acting General Counsel

Mark Shonkwiler

BY: Mark Shonkwiler
Assistant General Counsel

Enclosure

Factual and Legal Analysis

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Lafazan for Congress and Alex Leibson
in his official capacity as treasurer
Joshua Lafazan
Elizabeth D. Lawrence
Bryan H. Lawrence

MUR 8122**I. INTRODUCTION**

This matter involves allegations that Elizabeth D. Lawrence and Bryan H. Lawrence made an excessive contribution and/or a contribution in the name of another when they loaned \$100,000 to Joshua Lafazan to pay his graduate school tuition between September 2020 and September 2021, because this allowed Lafazan, who was a candidate in the 2022 Democratic Primary for New York’s 3rd Congressional District, to later use his personal funds to make a \$166,000 candidate loan to his principal campaign committee, Lafazan for Congress and Alex Leibson in his official capacity as treasurer (the “Committee”) in 2022.¹ Further, the Complaint alleges that the Committee did not properly disclose the Lawrences as the source of the funds reported as a candidate loan from Lafazan to his Committee.²

In separately filed Responses, both Lafazan and the Lawrences assert that the Lawrences made Lafazan’s tuition payments in the amount of \$101,192 directly to the University of Pennsylvania in return for Lafazan’s execution of promissory notes in the same amounts between September 2020 and September 2021, a period which pre-dated Lafazan’s December 2021 declaration of candidacy. Both Lafazan and the Lawrences maintain that these payments were for the sole purpose of supporting his educational pursuits and not made for the purpose of

¹ Compl. at 1 (Mar. 15, 2023).

² *Id.*

1 influencing a federal election.³ Lafazan’s Response further asserts that he did not even consider
2 becoming a candidate until the 3rd Congressional District seat incumbent announced a decision
3 not to seek re-election in November 2021, several months after his receipt of the last student
4 loan.⁴

5 Based on the available information, the Commission finds no reason to believe that
6 Elizabeth and Bryan Lawrence made, and that Lafazan and the Committee received, excessive
7 contributions in violation of 52 U.S.C. §§ 30116(a)(1)(A), (f) or contributions in the name of
8 another in violation of 52 U.S.C. § 30122. The Commission also finds no reason to believe that
9 the Committee failed to properly report the loans as contributions in violation of 52 U.S.C.
10 § 30104(b).

11 **II. FACTUAL BACKGROUND**

12 Joshua Lafazan was a candidate in the 2022 Democratic Primary for New York’s 3rd
13 Congressional District held on August 23, 2022.⁵ Lafazan filed his Declaration of Candidacy on
14 December 13, 2021.⁶ His principal campaign committee is Lafazan for Congress and Alex
15 Leibson in his official capacity as treasurer.⁷

16 Both the Lawrences and Lafazan state in their Responses that a friendship has existed
17 between them since 2016.⁸ The Lawrences, who describe themselves as philanthropists,

³ Lafazan Resp. at 3-4 (Apr. 27, 2023); Bryan H. Lawrence & Elizabeth D. Lawrence Resp. at 1, 3 (May 2, 2023) (hereinafter “Lawrence Resp.”).

⁴ Lafazan Resp. at 2-3.

⁵ Joshua Lafazan, Statement of Candidacy at 1 (Dec. 13, 2021).

⁶ *Id.*

⁷ Lafazan for Congress, Statement of Organization at 2 (Dec. 13, 2021).

⁸ Lawrence Resp. at 1 (May 2, 2023); Lafazan Resp. at 2 (Apr. 27, 2023).

1 maintain a home in the Oyster Bay area of New York.⁹ The Lawrences state that they were
2 introduced to Lafazan in 2016, and further note that Lafazan “made history” as the youngest
3 elected official in New York State when he was elected to the Syosset School Board at the age of
4 18 in 2012.¹⁰

5 The available information shows that in June 2020, Lafazan was accepted to and
6 enrolled in a doctoral program at the University of Pennsylvania.¹¹ Lafazan’s Response states
7 that, at that time, he had little credit history; was earning a limited salary and had limited assets
8 that were difficult to liquidate.¹² Lafazan’s Response further states that he sought assistance
9 with the upcoming tuition payments from the Lawrences, with whom he had a longstanding
10 friendship.¹³

11 The Lawrences state in their Response that they agreed to make educational loans to
12 Lafazan based on their long-term friendship; their belief that he had a bright future in their
13 community; and to help him reach his educational goals.¹⁴ The Lawrences set forth that, at the
14 time the loans were made, they understood that Lafazan wanted to pursue a career in education.¹⁵
15 Furthermore, the Lawrences assert, that as philanthropists, the loans made to Lafazan are
16 consistent with their previous philanthropic donations to various causes, charities and
17 individuals.¹⁶

⁹ Lawrence Resp. at 1.

¹⁰ *Id.* at 1-2.

¹¹ Lafazan Resp. at 2.

¹² *Id.* at 2, n. 3.

¹³ *Id.* at 2.

¹⁴ Lawrence Resp. at 2.

¹⁵ *Id.* at 5.

¹⁶ *Id.*

1 Lafazan states that prior to accepting the loans from the Lawrences he sought assistance
2 from ethics attorneys, who advised him that the loans would be permissible under New York law
3 because the Lawrences did not have any business before Nassau County and Lafazan had no
4 voting powers related to the Lawrences.¹⁷

5 Beginning in September 2020, in exchange for the Lawrences' payment of Lafazan's
6 tuition, the parties entered into four promissory notes, prepared by the Lawrences' attorneys,
7 aggregating in the amount of \$101,192, with each note carrying a two percent interest rate per
8 year, with an accelerated rate of 7% in the event of late payments, for a repayment term of 60
9 months.¹⁸

10 The information provided in the Responses shows that the amount of the four promissory
11 notes equaled the amount of Lafazan's tuition bills.¹⁹ The first promissory note was dated
12 September 25, 2020, in the amount of \$23,116 and on October 1, 2020, the Lawrences made a
13 tuition payment to the University of Pennsylvania for the same amount.²⁰ The second
14 promissory note was dated January 11, 2021, also for \$23,116 and the Lawrences sent that same
15 amount to the university for tuition on January 13, 2021.²¹ Next, the parties entered into a
16 promissory note on June 1, 2021, in the amount of \$24,970, and the Lawrences made a tuition
17 payment to the university in that amount on June 3, 2021.²² The last promissory note was
18 executed on September 2, 2021, in the amount of \$29,990 and the Lawrences made a tuition

¹⁷ Lafazan Resp. at 2, n. 4.

¹⁸ Lawrence Resp. at 2, Exs. A-D.

¹⁹ Lafazan Resp., Exs. 3-10; Lawrence Resp., Exs. A-D.

²⁰ Lafazan Resp., Ex. 3; Lawrence Resp., Ex. A.

²¹ Lafazan Resp., Ex. 4; Lawrence Resp., Ex. B.

²² Lafazan Resp., Ex. 5; Lawrence Resp., Ex. C.

1 payment in that amount to the university on September 23, 2021.²³ The details of the loans are
 2 shown in the chart below:²⁴

<u>Promissory Note</u>	<u>Date</u>	<u>Amount</u>	<u>First Payment Due</u>
Note 1	09/25/2020	\$23,116	10/01/2025
Note 2	01/11/2021	\$23,116	02/01/2026
Note 3	06/01/2021	\$24,970	07/01/2026
Note 4	09/02/2021	\$29,990	10/01/2026
Total:		\$101,192	

3
 4 Both Responses state that no funds were exchanged between Lafazan and the Lawrences;
 5 and that the Lawrences sent the funds directly to the University of Pennsylvania to pay his tuition
 6 bills for the doctoral program in which he was enrolled.²⁵ The Lawrences state that they made no
 7 further loans to the candidate after September 2021.²⁶

8 According to Lafazan, he did not have the intention of running for Federal office in 2022
 9 until November 2021, two months after the last tuition payment was made, when the incumbent in
 10 New York's 3rd Congressional District announced he would not be seeking reelection.²⁷
 11 Similarly, the Lawrences set forth that they did not know that Lafazan had any intention to run for
 12 Federal office until November 2021, which was two months after the last tuition payment was
 13 made and the last loan agreement was executed by the parties.²⁸

14 The Complaint further alleges that the educational loans constituted "straw donations"

²³ Lafazan Resp., Ex. 6; Lawrence Resp., Ex. D.

²⁴ *See also* Lawrence Resp. at 2 (providing a similar chart).

²⁵ Lafazan Resp. at 2, n. 5; Lawrence Resp. at 2, 5.

²⁶ Lawrence Resp. at 3.

²⁷ Lafazan Resp. at 2-3.

²⁸ Lawrence Resp. at 3, 4.

1 from the Lawrences to Lafazan.²⁹ The Complaint points to the \$166,000 in personal loans
2 Lafazan made to the Committee and alleges that funds from the educational loans may be the
3 source of funds for Lafazan’s loans to the Committee, thereby constituting a contribution made
4 in the name of another from the Lawrences to Lafazan and the Committee.³⁰ The Committee’s
5 relevant disclosure reports show that Lafazan made two personal loans to his Committee, as
6 follows: on March 30, 2022, a \$130,000 loan and on June 30, 2022, a \$36,000 loan.³¹ Those
7 loans remain outstanding.³²

8 In response, Lafazan asserts that Commission regulations permit candidates for Federal
9 office to make unlimited expenditures from personal funds, citing 11 C.F.R. §§ 100.33 and
10 110.10, and that the educational loans in this matter were not made to influence a federal
11 election.³³ The Response states that a finding that the educational loans in this matter were made
12 to influence a federal election would place a candidate in “an untenable position: either do not
13 accept any loans to fund car payments, home purchases, your own education, or other large
14 transactions that require similar liabilities, or be completely barred from contributing personal
15 funds to your own campaign.”³⁴ Last, Lafazan’s Response points out that, after he became a

²⁹ Compl. at 1.

³⁰ *Id.* at 1, 3.

³¹ Lafazan for Congress, Amended 2022 April Quarterly Report at 263 (June 27, 2023), <https://docquery.fec.gov/pdf/746/202306279582396746/202306279582396746.pdf>; Lafazan for Congress, Amended 2022 July Quarterly Report at 289-290 (June 27, 2023), <https://docquery.fec.gov/pdf/009/202306279582397009/202306279582397009.pdf>.

³² Lafazan for Congress, 2023 October Quarterly Report at 41-42 (Oct. 15, 2023), <https://docquery.fec.gov/pdf/530/202310159598388530/202310159598388530.pdf>.

³³ Lafazan Resp. at 4-5.

³⁴ *Id.*

1 candidate, he fully reported the loans from the Lawrences in his House Financial Disclosure
 2 Statement.³⁵

3 While the Complaint claims that the Lawrences made \$20,300 in monetary contributions
 4 to the Committee, this calculation fails to consider various refunds made by the Committee.³⁶

5 III. LEGAL ANALYSIS

6 A. The Commission Finds No Reason to Believe That Elizabeth Lawrence and 7 Bryan Lawrence Made, and Lafazan and the Committee Received, Excessive 8 Contributions and No Reason to Believe That the Committee Failed to 9 Report Contributions

10 A contribution is any gift, subscription, loan, advance, or deposit of money or anything of
 11 value made by any person for the purpose of influencing any election for Federal office.³⁷ Under
 12 the Act, an individual may not make a contribution to a candidate with respect to any election in

³⁵ *Id.* at n. 5.

³⁶ The Complaint's allegation that the Lawrences contributed an aggregate of \$20,300 to the Committee during the 2021-2022 election cycle is not accurate because the Complaint does not take into account refunds made of those contributions. *See* Compl. at 1. According to the Committee's disclosure reports, Bryan Lawrence contributed a total of \$14,500, comprised of \$11,600 in primary election contributions and \$2,900 in general election contributions; and Elizabeth Lawrence contributed a total of \$5,800 to the primary election. *See Lafazan for Congress: Financial Summary 2021-2022 Summary Data*, FEC.GOV, https://www.fec.gov/data/receipts/?cycle=2022&data_type=processed&committee_id=C00797241&contributor_name=Bryan+Lawrence&contributor_name=elizabeth+lawrence&two_year_transaction_period=2022&line_number=F3-11A1 (showing contributions) (last visited Jan. 9, 2024). Then, the Committee refunded \$8,700 in contributions to Bryan Lawrence (comprised of \$5,800 in primary election contribution refunds and \$2,900 in general election contribution refunds) and refunded to Elizabeth Lawrence \$2,900 in primary election contributions. *See Lafazan for Congress: Financial Summary 2021-2022 Summary Data*, FEC.GOV, https://www.fec.gov/data/disbursements/?cycle=2024&data_type=processed&committee_id=C00797241&recipient_name=bryan+lawrence&recipient_name=elizabeth+lawrence&two_year_transaction_period=2024&two_year_transaction_period=2022&line_number=F3-20A (showing refunds) (last visited Jan. 9, 2024). When accounting for the refund amounts, Bryan Lawrence contributed a total of \$5,800 and Elizabeth Lawrence contributed a total of \$2,900 to Lafazan's primary election campaign. The general election contribution from Bryan Lawrence was refunded within the permissible timeframe. There are no outstanding excessive primary contributions for Elizabeth Lawrence. However, the \$5,800 in primary contributions received from Bryan Lawrence on December 31, 2021, was refunded outside of the permissible timeframe on March 31, 2022. *See* 11 C.F.R. § 110.1(b)(3)(i). The last refund was cited in the Request for Additional Information sent by the Reports Analysis Division ("RAD") to the Committee regarding the 2021 Year-End Report. *See Lafazan for Congress, Request for Additional Information at 1, Attach. 1* (June 16, 2022), <https://docquery.fec.gov/pdf/265/202206160300145265/202206160300145265.pdf>.

³⁷ 52 U.S.C. § 30101(8)(A); 11 C.F.R. § 100.52.

1 excess of the legal limit, which was \$2,900 per election during the 2021-2022 election cycle.³⁸
2 A candidate committee must report the identity of any person who makes a contribution to the
3 committee during the reporting period, whose contribution or contributions have an aggregate
4 amount or value in excess of \$200 within the election cycle.³⁹ The Act and Commission
5 regulations further provide that no person may make, and no candidate or candidate's authorized
6 political committee shall knowingly accept, any contribution that violates the contribution limits
7 set forth in section 30116.⁴⁰ In addition, "candidates for Federal office may make unlimited
8 expenditures from personal funds," which include contributions to their principal campaign
9 committees.⁴¹

10 Under the Act, a "loan" includes a guarantee, endorsement, and any other form of
11 security.⁴² Each endorser or guarantor shall be deemed to have contributed that portion of the
12 total amount of the loan for which he or she agreed to be liable in a written agreement.⁴³ A loan
13 that exceeds the contribution limits, or otherwise violates 52 U.S.C. § 30116, is unlawful,
14 whether or not it is repaid.⁴⁴ A loan to a political committee or a candidate by a commercial
15 bank is exempt from the definition of contribution, if such loan is made in accordance with

³⁸ 52 U.S.C. § 30116(a)(1)(A); *see also* 11 C.F.R. § 110.1(b)(1).

³⁹ 52 U.S.C. § 30104(b)(3)(A); 11 C.F.R. § 104.3(a)(4)(i).

⁴⁰ 52 U.S.C. §§ 30116(a)(1)(A), (f); 11 C.F.R. §§ 110.1(b)(1), 110.9.

⁴¹ 11 C.F.R. §§ 110.10, 100.33. "Personal funds" include all assets in which a candidate has legal title or an equitable interest, as well as salary and other earned income from *bona fide* employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; and proceeds from lotteries and similar legal games of chance. 52 U.S.C. § 30101(26); 11 C.F.R. § 100.33.

⁴² 52 U.S.C. § 30101(8)(B)(vii); *see also* 11 C.F.R. § 100.52(b).

⁴³ 11 C.F.R. §§ 100.52(b)(3), 100.82(c).

⁴⁴ *Id.* § 100.52(b)(1).

1 applicable law and in the ordinary course of business.⁴⁵ The Commission’s regulations provide
2 that a third party’s payment of a candidate’s personal expense shall be a contribution “unless the
3 payment would have been made irrespective of the candidacy.”⁴⁶ The Commission has
4 explained that a finding of reason to believe that a candidate’s personal transaction resulted in a
5 contribution to his or her campaign requires specific information demonstrating a nexus between
6 the transactions and the campaign.⁴⁷ The Commission has also stated that “[t]he basis for this
7 determination is the context of the transaction’s surrounding factual circumstances.”⁴⁸

8 There is no indication in the available information that the Lawrences’ loans for
9 Lafazan’s tuition were for the purpose of supporting his 2022 congressional candidacy. Lafazan
10 and the Lawrences had been friends for several years prior to the loans being made in 2020 and
11 2021.⁴⁹ The Lawrences have a history of providing significant donations for philanthropic
12 purposes to various charities, foundations, and individuals in need of financial assistance, and

⁴⁵ 52 U.S.C. § 30101(8)(B)(vii); 11 C.F.R. § 100.82(a). A loan will be deemed to be made in the ordinary course of business if it: “(1) [b]ears the usual and customary interest rate of the lending institution for the category of loan involved; (2) [i]s made on a basis that assures repayment; (3) [i]s evidenced by a written instrument; and (4) [i]s subject to a due date or amortization schedule.” 11 C.F.R. § 100.82(a)(1)-(4). A loan is considered “made on a basis that assures repayment” if it is obtained using a perfected security interest in collateral owned by the candidate, the fair market value of the collateral is equal to or greater than the loan amount, and the candidate provides documentation to show that the lending institution has a perfected security interest in the collateral. Sources of collateral include goods, accounts receivable, and cash on deposit. *Id.* § 100.82(e).

⁴⁶ 11 C.F.R. § 113.1(g)(6); *see also*, Expenditures; Reports by Political Committees; Personal Use of Campaign Funds, 60 Fed. Reg. 7,862, 7,871 (Feb. 9, 1995) (“If a third party pays for the candidate’s personal expenses, but would not ordinarily have done so if that candidate were not running for office, the third party is effectively making the payment for the purpose of assisting that candidacy.”).

⁴⁷ *See* Factual & Legal Analysis (“F&LA”) at 6, MUR 7025 (Friends of Mike Lee), *see also* SOR at 2, n.2, Comm’rs McDonald, Mason, Sandstrom, Smith, & Thomas, MUR 4944 (Hillary Rodham Clinton for US Senate Committee) (recognizing that “there are a number of issues arising from a candidate’s personal situation ... that may become campaign issues, but the Commission will not necessarily therefore deem expenses arising from such controversies to be campaign expenses.”).

⁴⁸ Statement of Reasons at 3, Comm’rs Mason, Sandstrom, McDonald, Smith, Thomas, & Wold, MUR 5141 (Moran for Congress).

⁴⁹ Lawrence Resp. at 1; Lafazan Resp. at 2.

1 there is no information that their loan for Lafazan’s tuition is inconsistent with this history.⁵⁰
2 Moreover, there is no information showing that they expected Lafazan would be running for
3 Federal office at the time the loans were made in 2020 and 2021.⁵¹ The first loan was made
4 fifteen months before Lafazan filed his Statement of Candidacy in December 2021.⁵² Lafazan
5 states that he did not consider a run for Congress until November 2021, when the incumbent for
6 New York’s 3rd Congressional District announced that he would not be seeking re-election,
7 which was two months after the last loan was made in September 2021.⁵³ These facts support
8 Respondents’ assertions that they had no knowledge that Lafazan might become a federal
9 candidate and believed he was focused on his studies and a career in higher education.⁵⁴

10 In addition, the Responses sufficiently document that the loans appear to have been made
11 at arm’s length, as evidenced by the presence of written instruments drafted by outside counsel,
12 subject to due dates, and with agreed upon interest rates.⁵⁵ Further, no funds were provided from
13 the Lawrences directly to Lafazan in connection with the loan transactions. Each of the four
14 loans was paid directly to the institution of higher learning and for the exact amount of the
15 tuition due.⁵⁶ Therefore, it appears that the loans were made to support Lafazan’s education and
16 were made irrespective of his later candidacy, and do not meet the definition of a contribution.⁵⁷

⁵⁰ Lawrence Resp. at 1, 5.

⁵¹ Lafazan Resp. at 2-3, 5; Lawrence Resp. at 3-4.

⁵² Lafazan Resp., Ex. 3; Lawrence Resp., Ex. A.

⁵³ Lafazan Resp. at 2-3, 5.

⁵⁴ Lafazan Resp. at 2-3, 5; Lawrence Resp. at 3-4.

⁵⁵ Lawrence Resp. at n.2, Exs. A-D; Lafazan Resp., Exs. 3-10.

⁵⁶ Lafazan Resp., Exs. 3-10; Lawrence Resp., Exs. A-D.

⁵⁷ 52 U.S.C. § 30101(8)(B)(vii); 11 C.F.R. § 100.52(b).

1 Furthermore, it appears that Lafazan had sufficient assets and personal funds to lend his
2 Committee \$166,000. Lafazan’s House Financial Report discloses that his assets range from
3 \$55,006 to \$175,000 in aggregate value, and he had an earned income of \$184,069.56, so there is
4 information to support his assertion that he funded the loan to his Committee with his personal
5 funds.⁵⁸ Senate and congressional candidates may make unlimited expenditures from their
6 personal funds.⁵⁹ The Commission has interpreted this provision to mean that a candidate may
7 also make unlimited contributions to his or her authorized committee.⁶⁰

8 Under the Act, all political committees are required to file periodic disclosure reports
9 with the Commission which accurately report all contributions received and disbursements
10 made.⁶¹ Here, the Committee disclosed the candidate’s loan to the Committee as required by the
11 Act and Commission regulations.⁶² Based on the foregoing, the Lawrences’ personal loans do
12 not constitute contributions under the Act; and there was no corresponding reporting violation by
13 the Committee.

14 Therefore, the Commission finds no reason to believe that Bryan H. Lawrence and
15 Elizabeth D. Lawrence violated 52 U.S.C. § 30116(a)(1)(A) by making excessive contributions
16 to Joshua Lafazan and the Committee in the form of personal loans, and no reason to believe that

⁵⁸ Clerk of the House of Representatives, Financial Disclosure Report, Joshua Lafazan, Congressional Candidate (May 11, 2022), https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2021/10044284.pdf; (amended May 13, 2022), https://disclosures-clerk.house.gov/public_disc/financial-pdfs/2022/10047493.pdf). See F&LA at 4-5, MURs 7112, 7115 (AJ Kerns for Congress, *et al.*) (no reason-to-believe finding as to excessive contribution from spouse where candidate’s jointly held assets far exceeded amount of candidate’s loan to committee).

⁵⁹ See 11 C.F.R. § 110.10 (expenditures by federal candidates). See also 52 U.S.C. § 30101(26); 11 C.F.R. § 100.33 (defining personal funds of a candidate).

⁶⁰ Advisory Opinion. (“AO”) 2010-15 at 2 (Pike for Congress) (interpreting 11 C.F.R. § 110.10 as meaning that candidates may also make unlimited contributions to their authorize committees); AO 1985-33 at 1 (Citizens to Re-Elect Cardiss Collins) (same); AO 1984-60 at 2 (Mulloy) (same).

⁶¹ 52 U.S.C. § 30104; 11 C.F.R. § 104.3.

⁶² 52 U.S.C. § 30104(b)(8); 11 C.F.R. § 104.3(d).

1 Joshua Lafazan and Lafazan for Congress and Alex Leibson in his official capacity as treasurer
2 violated 52 U.S.C § 30116(f) by receiving excessive contributions in the form of those loans.
3 The Commission further finds no reason to believe that Lafazan for Congress and Alex Leibson
4 in his official capacity as treasurer violated 52 U.S.C. § 30104(b) by failing to report
5 contributions.

6 **B. The Commission Finds No Reason to Believe That Elizabeth Lawrence and**
7 **Bryan Lawrence Made, and Joshua Lafazan and the Committee Received, a**
8 **Contribution Made in the Name of Another**

9 As set forth above, the Act provides that a contribution includes “any gift, subscription,
10 loan, advance, or deposit of money or anything of value made by any person for the purpose of
11 influencing any election for Federal office.”⁶³ The Act prohibits a person from making a
12 contribution in the name of another person, knowingly permitting his or her name to be used to
13 effect such a contribution, or knowingly accepting such a contribution.⁶⁴ The Commission has
14 included in its regulations illustrations of activities that constitute making a contribution in the
15 name of another:

- 16 (i) Giving money or anything of value, all or part of which was
17 provided to the contributor by another person (the true contributor)
18 without disclosing the source of money or the thing of value to the
19 recipient candidate or committee at the time the contribution is
20 made; or
- 21 (ii) Making a contribution of money or anything of value and
22 attributing as the source of the money or thing of value another
23 person when in fact the contributor is the source.⁶⁵

⁶³ 52 U.S.C. § 30101(8)(A); 11 C.F.R. § 100.52.

⁶⁴ 52 U.S.C. § 30122.

⁶⁵ 11 C.F.R. § 110.4(b)(2) (internal citations omitted).

1 As set forth above, there is no information to establish that the Lawrences made the
2 loans to Lafazan for the purpose of influencing a federal election; therefore, the loans are not
3 “contributions” as defined by the Act.⁶⁶ The first loan was made fifteen months prior to
4 Lafazan running for Congress, and the last loan was made in September 2021, two months
5 before he announced his run for Congress.⁶⁷ Furthermore, no funds were sent directly to
6 Lafazan, rather the proceeds of the loans were sent directly to the graduate school for the same
7 amount as the tuition that was due.⁶⁸ Given these facts, the information and documents
8 available show that the loans were arm’s length transactions made for the purpose of funding
9 Lafazan’s education.

10 Therefore, the Commission finds no reason to believe that Bryan H. Lawrence and
11 Elizabeth D. Lawrence made, and Joshua Lafazan and Lafazan for Congress and Alex Leibson
12 in his official capacity as treasurer received, a contribution made in the name of another in
13 violation of 52 U.S.C. § 30122 in connection with the student loans.

⁶⁶ See Lafazan Resp. at 2-3, 5; Lawrence Resp. at 3-4.

⁶⁷ Lafazan Resp., Exs. 3, 6; Lawrence Resp., Exs. A, D.

⁶⁸ Lafazan Resp., Exs. 3-10; Lawrence Resp., Exs. A-D.