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December 1, 2023

Ronald M. Jacobs

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## Via E-mail to cjacksonjones@fec.gov

Camilla Jackson Jones, Esq. Attorney Federal Election Commission Office of General Counsel 1050 First Street, N.E. Washington, D.C. 20463

Re: MUR 8174 - Response of OkieWay and

Steven Martin in his official capacity as treasurer

Dear Ms. Jones:

This responds to your letter dated October 10, 2023, notifying OkieWay and Steven Martin in his official capacity as treasurer (collectively "Respondents") that the Commission found Reason to Believe ("RTB") that the Respondents violated the Federal Election Campaign Act ("Act") and offered to enter into pre-probable cause conciliation.

Respondents have set forth their position in prior responses to the Commission's RFAI, and Notification Letter. The attached declaration of Evan Handy, who served as the executive director of OkieWay, provides the facts that have previously been provided to the commission in sworn form.

As has been made clear to the Commission over and over, OkieWay is defunct and has no way to raise any additional funds; you cannot squeeze blood from a turnip. As Respondents have explained, this is a classic example of a mistake being made. A monetary penalty that is not collectable will serve no deterrent purpose either as to OkieWay (since it wants nothing more than to terminate) or as to future independent expenditure committees who put processes and procedures in place to comply with the Act but suffer from an unexpected breakdown in those processes.

Setting aside the lack of any deterrent value, the proposed is, quite frankly, appalling based on prior Commission precedent, some of which was cited in the RTB letter itself. As shown below, both categories of MURs cut strongly against any number remotely close to



Camilla Jackson Jones, Esq. December 1, 2023 Page 2

## **MURs Cited in RTB Letter:**

- MUR 7436 (Warrior PAC)
  - o Violations: 4 late filed 48-Hour Reports for IEs totaling \$604,662.38.
  - Commission too into account the Committee requested to terminate, has no cash, and contends it cannot raise additional funds.
  - o Penalty: \$5,000.
- MUR 7276 (Right to Rise USA)
  - o Violations: 7 late filed 48-hour reports for IEs totaling \$9,655,949.
  - o Active committee that raised and spent a lot of money (\$87MM on IEs in 2016).
  - o Penalty: \$200,000 (2.07% of value of late filed IEs. Applying that percentage to this matter would result in \$7,138.91).

## **MURs Cited by Respondent:**

- MUR 6767 (Central Valley Independent PAC)
  - Violations: Late filed 24-Hour Report for IE totaling \$166,391.
  - Commission too into account the Committee requested to terminate, had no cash, and contended it cannot raise additional funds.
  - o Penalty: \$4,800.
- MUR 6715 (The Legacy Committee Political Action Committee)
  - o Violations: Failed to file \$299,010 in 24-hour and 48-hour reports.
  - Commission too into account the Committee requested to terminate, had no cash, and contended it cannot raise additional funds, even though the issues were not found until an audit.
  - o Penalty: \$5,000.

Given the situation and the Commission's prior penalties, Respondents would agree to a \$5,000 penalty, but, given the lack of funds, propose that the amount be suspended unless OkieWay were to reconstitute itself and be involved in a future election.

Sincerely,

Ronald M. Jacobs