



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

April 29, 2024

VIA EMAIL

Neil P. Reiff
Sandler Reiff Lamb Rosenstein & Birkenstock, P.C.
1090 Vermont Ave. NW, Ste. 750
Washington, DC 20005
reiff@sandlerreiff.com

RE: MUR 8213 (Sheila Jackson
Lee for Congress)

Dear Mr. Reiff:

On March 27, 2024, the Federal Election Commission (the "Commission") accepted the signed conciliation agreement submitted on your client's behalf in settlement of violations of: (1) 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by misstating \$120,605 in receipts; (2) 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting a total of \$129,600 of excessive contributions; and (3) 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2 by knowingly accepting a total of \$10,450 of prohibited corporate contributions. Accordingly, the file has been closed in this matter, effective today.

Documents related to the case will be placed on the public record today. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1362.

Sincerely,

Christopher S. Curran

Christopher S. Curran
Attorney

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)	
)	MUR 8213
Sheila Jackson Lee for Congress and)	
Karen Y. Grays in her official)	
capacity as treasurer)	
)	

CONCILIATION AGREEMENT

This matter was initiated pursuant to information ascertained by the Federal Election Commission (“Commission”) in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Sheila Jackson Lee and Karen Y. Grays in her official capacity as treasurer (“Respondent” or “Committee”) violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by misstating its receipts in calendar year 2020, 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting excessive contributions and 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2 by knowingly accepting prohibited corporate contributions.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondent enters voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:

1. The Committee is the principal campaign committee of U.S. Representative Sheila Jackson Lee. Karen Y. Grays is the Committee's treasurer.
2. The Federal Election Campaign Act of 1971, as amended (the "Act"), requires committee treasurers to file reports in accordance with the provisions of 52 U.S.C. § 30104(a), (b). 52 U.S.C. § 30104(a)(1), (b); 11 C.F.R. § 104.1(a). These reports must be timely and must include, *inter alia*, the Committee's cash on hand and the total amount of receipts and disbursements, including the appropriate itemizations, where required. 52 U.S.C. § 30104(b); 11 C.F.R. § 104.3(a).
3. The Act limits the amount an individual may contribute to a candidate's authorized committee per election, and likewise, the Act prohibits any candidate or committee from knowingly accepting contributions in excess of the Act's amount limitations. 52 U.S.C. § 30116(a)(1)(A), (f); 11 C.F.R. § 110.9. During the 2019-2020 election cycle, the Act and Commission regulations limited an authorized committee to accepting a total of \$2,800 per election from any individual. 52 U.S.C. § 30116(a)(1)(A); 11 C.F.R. § 110.1(b); Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold, 84 Fed. Reg. 2504, 2506 (Feb. 7, 2019).
4. The Act prohibits corporations from making contributions to federal candidates or their committees, and likewise, the Act prohibits federal candidates or their committees from knowingly accepting corporate contributions. 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2.
5. If the legality of the contribution cannot be determined, the treasurer must refund the contribution within 30 days of receipt. 11 C.F.R. § 103.3(b)(1). Contributions which on their face exceed the contribution limits, and contributions which do not appear to exceed the

contribution limits but exceed contribution limits when aggregated with other contributions, and which cannot be accepted under the net debts outstanding provisions, may be returned to the contributor or deposited. 11 C.F.R. § 103.3(b)(3). If deposited, contributions must be: (1) redesignated in accordance with 11 C.F.R. §§ 110.1(b)(5) or 110.2(b)(5); (2) reattributed in accordance with 11 C.F.R. § 110.1(k)(3); or (3) refunded within 60 days of the date that the committee has actual notice of the need to refund, redesignate or reattribute the contributions. 11 C.F.R. § 103.3(b)(3).

6. The Committee underreported its receipts for calendar year 2020 by \$120,605.

7. The Committee accepted excessive contributions totaling \$129,600 during the 2019-2020 election cycle.

8. The Committee accepted corporate contributions totaling \$10,450 during the 2019-2020 election cycle.

9. Respondent contends that it has fully cooperated with the Commission's review of its activities. Respondent contends that it has spent considerable resources and has enhanced its compliance procedures to ensure that the issues raised herein are not repeated. Respondent further contends that it has transferred its compliance operations from a part-time treasurer to an outside professional firm.

V. Respondent committed the following violations:

1. Respondent violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.3 by misstating its receipts in calendar year 2020.

2. Respondent violated 52 U.S.C. § 30116(f) and 11 C.F.R. § 110.9 by knowingly accepting contributions that exceeded the Act's amount limitations.

3. Respondent violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2 by knowingly accepting contributions from corporations.

VI. Respondent will take the following actions:

1. Respondent will pay a civil penalty to the Commission in the amount of Thirty-Three Thousand Dollars (\$33,000), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will refund to the contributors any excessive contributions that have not already been redesignated, reattributed, or refunded in either a timely or untimely fashion, will refund any prohibited contributions that have not already been refunded, and will amend its disclosure reports to properly reflect such refunds.

3. Respondent will cease and desist from committing violations of 52 U.S.C. §§ 30104(b), 30116(f), and 30118(a).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or

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Conciliation Agreement
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oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

FOR THE COMMISSION:


Lisa J. Stevenson
Acting General Counsel

BY: Charles Kitcher
Charles Kitcher
Associate General Counsel
for Enforcement

Digitally signed by
Charles Kitcher
Date: 2024.04.04
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4/4/23
Date

FOR THE RESPONDENT:



(Name) Neil Reiff
(Position) Counsel

3/12/24
Date