



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jeffrey J. Hunter
Kelley Drye & Warren LLP
3050 K Street NW, Suite 400
Washington, DC 20007

JUL 30 2018

RE: MUR 7394
Mediacom Communications Corporation

Dear Mr. Hunter:

On May 31, 2018, the Federal Election Commission ("Commission") notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). On July 26, 2018, based upon the information contained in the complaint and information provided by respondents, the Commission found no reason to believe allegations that Mediacom Communications Corporation violated provisions of the Act. The Commission then closed its file in this matter. A copy of the Factual and Legal Analysis, which more fully explains the basis for the Commission's decision, is enclosed.

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. 66132 (Dec. 14, 2009). If you have any questions, please contact Kristina Portner, the attorney assigned to this matter, at (202) 694-1518.

Sincerely,

Lisa J. Stevenson
Acting General Counsel

A handwritten signature in black ink, appearing to read "Jeff S. Jordan".

BY: Jeff S. Jordan
Assistant General Counsel

Enclosure:
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

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3 **RESPONDENTS:** O'Donnell for Congress and MUR 7394
4 Thomas Weddell in his official capacity as treasurer,
5 Mediacom Communications Corporation,
6 Dana Distributors, Inc.,
7 Dutchess Manor, Inc.,
8 Maxwell Security Group, LLC, and
9 Cameo Hills Ltd.
10

11 This matter was generated by a complaint alleging violations of the Federal Election
12 Campaign Act of 1971, as amended ("the Act") and Commission regulations by O'Donnell for
13 Congress and Thomas Weddell in his official capacity as treasurer ("the Committee"),
14 Mediacom Communications Corporation ("Mediacom Communications"), Dana Distributors,
15 Inc. ("Dana Distributors"), Dutchess Manor, Inc. ("Dutchess Manor"), Maxwell Security Group,
16 LLC ("Maxwell Security"), and Cameo Hills Ltd ("Cameo Hills"). It was scored as a low-rated
17 matter under the Enforcement Priority System, by which the Commission uses formal scoring
18 criteria as a basis to allocate its resources and decide which matters to pursue.

19 The Complaint alleges that the Committee accepted and failed to report prohibited
20 corporate in-kind contributions in the form of free event space from three corporations,
21 Mediacom Communications, Dana Distributors, and Dutchess Manor, and that it accepted
22 prohibited monetary contributions from Maxwell Security and Cameo Hills.¹

23 The Committee responds that the candidate paid Mediacom Communications from his
24 personal funds, and the Committee will amend its April 2018 Quarterly Report to disclose this
25 expenditure.² The Committee asserts that it did not report payments to Dana Distributors and

¹ Compl. at 1-3 (May 23, 2018).

² Committee Resp. at 1 (June 18, 2018). As of the date of this report, the Committee has not amended its April 2018 Quarterly Report.

1 Dutchess Manor on its April 2018 Quarterly Report because it did not receive invoices until
2 after the reporting period, and it reported the payments on its 2018 Pre-Primary Report.³
3 Mediacom Communications, Dana Distributors, and Dutchess Manor each state that they were
4 paid for the Committee's use of their event spaces.⁴

5 Maxwell Security and Cameo Hills both assert that they did not know that corporate
6 contributions were prohibited, and its owners replaced the corporate contributions with personal
7 funds.⁵ The Committee states that it refunded these contributions.⁶

8 The Act and Commission regulations prohibit a candidate's principal campaign
9 committee from accepting corporate contributions, and prohibit a corporation from making a
10 contribution to a candidate's principal campaign committee.⁷ The provision of any goods or
11 services without charge or at a charge that is less than the usual and normal charge for such
12 goods or services is an in-kind contribution.⁸ The Act and Commission regulations further
13 require a candidate's principal campaign committee to disclose the total amount of all
14 disbursements made during the reporting period, and to report the full name and address of each
15 person to whom an expenditure in an aggregate amount or value in excess of \$200 within the

³ *Id.*; see also O'Donnell for Congress 2018 Pre-Primary Report, <http://docquery.fec.gov/pdf/092/201806149113696092/201806149113696092.pdf> at 20.

⁴ Mediacom Communications Corp. Resp. at 2, Ex. B (June 13, 2018); Dana Distributors, Inc. Resp. at 1, Ex. A (June 8, 2018); Dutchess Manor, Inc. Resp. at 1 (June 14, 2018). Mediacom Communication further asserts that it regularly provides free use of its meeting space to community groups and, therefore, use of its meeting space would not constitute a contribution pursuant to 11 C.F.R. §§ 100.76 and 100.136.

⁵ Maxwell Security Resp. at 1 (June 4, 2018); Cameo Hills Resp. at 1 (June 15, 2018).

⁶ Committee Resp. at 1.

⁷ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b).

⁸ 11 C.F.R. § 100.52(d).

1 election cycle is made along with the date, amount, and purpose of each expenditure.⁹ In
2 addition, Commission regulations require a candidate's principal campaign committee to report
3 debts or obligations in excess of \$500 as of the date on which the debt or obligation is
4 incurred.¹⁰

5 The available information indicates that either the Committee or the Candidate paid
6 Mediacom Communications, Dana Distributors, or Dutchess Manor to use their spaces.
7 Therefore, the Commission finds no reason to believe that Mediacom Communications, Dana
8 Distributors, or Dutchess Manor violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b).
9 However, the available information shows that the Committee incurred a \$500 debt to Dutchess
10 Manor for event space on or before March 25, 2018 when the event was held, but the Committee
11 did not report the debt on its April 2018 Quarterly Report.¹¹ In furtherance of the Commission's
12 priorities relative to other matters pending on the Enforcement docket, the modest amount at
13 issue, and the fact that the Committee reported payment to Dutchess Manor on its 2018 Pre-
14 Primary Report, the Commission exercises its prosecutorial discretion and dismisses the
15 allegation that the Committee violated 52 U.S.C. § 30104(b) and 11 C.F.R. § 104.11(b). *Heckler*
16 *v. Chaney*, 470 U.S. 821, 831-32 (1985).

17 Maxwell Security and Cameo Hills admit making, and the Committee admits accepting,
18 corporate contributions. In furtherance of the Commission's priorities relative to other matters
19 pending on the Enforcement docket, the relatively modest amounts at issue, and remedial actions

⁹ 52 U.S.C. § 30104(b)(4); 11 C.F.R. § 104.3(b).

¹⁰ 11 C.F.R. § 104.11(b); *see also* 52 U.S.C. § 30104(b)(8).

¹¹ The available information shows that Dana Distributors' event space cost \$150. Dana Distributors Resp. at 1, Ex. 1; Committee Resp. at 1, Ex. 1. Since the amount was less than \$500, the Committee was not required to report the debt or obligation until the time payment was made or not later than 60 days after such obligation was incurred, whichever comes first. 11 C.F.R. § 104.11(b).

- 1 taken, the Commission exercises its prosecutorial discretion and dismisses the allegation that
- 2 Maxwell Security, Cameo Hills, and the Committee violated 52 U.S.C. § 30118(a) and 11 C.F.R.
- 3 § 114.2(b). *Heckler v. Chaney*, 470 U.S. 821, 831-32 (1985).