

June 10, 2024

Lisa J. Stevenson, Esq. Acting General Counsel Federal Election Commission 1050 First St. NE Washington, DC 20463

Re: REG 2024-01: Use of Campaign Funds for Candidate and Officeholder Security

Dear Ms. Stevenson:

Campaign Legal Center ("CLC") respectfully submits this comment on REG 2024-01: Use of Campaign Funds for Candidate and Officeholder Security.¹ We support the Federal Election Commission's (the "Commission") timely effort to address this important issue. The Commission's public hearing on candidate salaries,² along with recent news reports,³ an influx of advisory opinion requests,⁴ and CLC's own event on removing financial barriers to running for office,⁵ have made clear that candidates and officeholders face significant threats. Accordingly, the Commission's rules should generally provide that candidates and officeholders can use campaign funds to protect themselves. However, while being mindful of the need for these regulatory changes, we respectfully urge the Commission to establish guidelines and standards that clearly distinguish between the lawful use of campaign funds to pay for security measures and unlawful personal use.

³ See, e.g., Vera Bergengruen, Public Officials Face Surge of Threats Ahead of 2024 Election, Time (Jan. 25, 2024), <u>https://time.com/6565184/violent-threats-public-officials/</u>; Rob Kuznia, et al., A Deluge of Violent Messages: How a Surge in Threats to Public Officials Could Disrupt American Democracy, CNN (Dec. 7, 2023), <u>https://www.cnn.com/2023/12/07/politics/threats-</u> us-public-officials-democracy-invs/index.html.

¹ Use of Campaign Funds for Candidate and Officeholder Security, 89 Fed. Reg. 24,738 (Apr. 9, 2024) ("Proposed Rule").

² March 22, 2023 Public Hearing on Candidate Salaries, FEC,

https://www.fec.gov/updates/march-22-2023-public-hearing-on-candidate-salaries/ (last visited June 3, 2024).

⁴ See, e.g., Advisory Op. 2023-04 (Guy for Congress); Advisory Op. 2022-05 (Crapo); Advisory Op. 2022-02 (Steube).

⁵ Removing Financial Barriers to Running for Office, CLC (Apr. 25, 2024), <u>https://campaignlegal.org/events/removing-financial-barriers-running-office</u>.

The Federal Election Campaign Act's prohibition on converting campaign funds to personal use ensures that candidates and officeholders do not abuse their donors' money for self-enrichment, preventing real and apparent corruption in our elections. The Commission's final candidate security regulation should reiterate that the present security threats candidates face, and the corresponding amendments to the Commission's rules, do not alter or undermine the longstanding prohibition of personal use; instead, the new rule should comport with the well-established personal use framework.

To that end, the Commission's final rule on candidate security should incorporate at least three important limiting principles.

First, the final rule should expressly incorporate the longstanding principle that tangible goods purchased with campaign funds remain the property of the candidate's principal campaign committee.⁶ Many items that might be used to improve a candidate's safety—*e.g.*, security cameras, glass-break detectors, and padlocks—can be purchased, used, and later resold by their campaign, and should therefore be treated no different than the other items campaigns routinely procure for their day-to-day operational purposes—*e.g.*, office equipment, laptops, and cell phones. Thus, transferable security items should remain the campaign's property and, when the campaign winds down, would need to be sold at fair market value (potentially to the candidate or officeholder) or otherwise lawfully disposed.⁷ Indeed, to the extent the Commission's final regulation allows for the purchase of firearms or other weapons, the Commission should make abundantly clear that those items would be the property of the campaign and would need to be sold or lawfully disposed of during the campaign's wind-down period.

Second, the Commission's final rule, in addressing "[p]rofessional security personnel and services," should explicitly reiterate the holding in Advisory Opinion 2021-03 (NRSC & NRCC), which approved candidates and officeholders using campaign funds to hire only "bona fide, legitimate, professional personal security personnel."⁸ It is vital that personal security service providers be "bona fide, legitimate, professional[s]" to preclude situations where candidates and officeholders hire their political allies, personal friends, or family members as "bodyguards," thus allowing those individuals to be on the campaign's payroll while potentially not providing any bona fide security services.⁹

⁶ See Advisory Op. 1994-20 (Committee for Congressman Charlie Rose) (stating that the Commission treats the "non-cash assets of a candidate's campaign committee" as "excess campaign funds" subject to the use limitations at 11 C.F.R. § 113.2(d)).

⁷ See 11 C.F.R. § 113.1(g)(3).

⁸ Advisory Op. 2021-03 (NRSC & NRCC) at 1.

⁹ See Sam Brodey, Kyrsten Sinema Is Still Paying Tulsi Gabbard's Sister a Fortune for Security, Daily Beast (July 19, 2023), <u>https://www.thedailybeast.com/kyrsten-sinema-is-still-paying-tulsi-gabbards-sister-a-fortune-for-security</u> ("Sen. Kyrsten Sinema (I-AZ) had spent over \$500,000 in campaign funds to a single security contractor[,] . . . TOA Group, an LLC solely owned by Vrindavan Bellord, the sister of [Sinema's] former ally and colleague Tulsi Gabbard. . . . In the second quarter of 2023, the Sinema campaign's payments to Bellord's company jumped to \$114,000—more than three times what it had paid her in the first

Third, while it is helpful that the proposed rule limits the spending allowance to the "*reasonable* costs of security measures,"¹⁰ the rule should also include an explicit tailoring requirement, *i.e.*, candidates and officeholders should only be permitted to spend campaign funds on security-related goods and services that are reasonably tailored to addressing ongoing dangers or threats. Without a tailoring requirement, the candidate security rule might invite abuse. For example, while it might be reasonable for a campaign facing in-person security threats to strengthen a metal security gate at a candidate's personal residence, using campaign funds to build a stone wall around the property would likely represent a disproportionate measure. A tailoring requirement helps to ensure that candidates and officeholders are using campaign funds in a reasonable and limited manner needed to maintain their security, not enriching themselves at their campaign donors' expense.

Preventing the misuse of campaign funds to pay for candidates' personal expenses is a vital goal of our campaign finance laws, which help maintain public confidence in our election system.¹¹ While the Commission should make clear that candidates and officeholders can generally use their campaign funds to protect themselves while seeking and holding public office, we respectfully urge the Commission to take additional steps to ensure that campaign funds are not being misused for personal enrichment.

Respectfully submitted,

/s/ Saurav Ghosh

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quarter of the year, and roughly one-fifth of *all* campaign dollars Sinema spent in the second quarter. On top of that, the Sinema campaign paid \$48,000 to cover Bellord's travel expenses, more than double what it spent on the same types of expenses in the first quarter of 2023.").

¹⁰ Proposed Rule at 24,742 (emphasis added).

¹¹ See Andy Cerda and Andrew Daniller, 7 Facts About Americans' Views of Money in Politics, Pew Research Ctr. (Oct. 23, 2023), <u>https://www.pewresearch.org/short-</u> <u>reads/2023/10/23/7-facts-about-americans-views-of-money-in-politics/</u> ("More than six-in-ten (63%) say that all or most of the people who currently serve as elected officials ran for office to make a lot of money.").