

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 **RESPONDENT:** Santorum 2006 and Gregg R. Melinson, **MUR:** 5749
6 in his official capacity as treasurer
7

8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission
10 (“Commission”) by the Center for Responsibility and Ethics in Washington. *See* 2 U.S.C.
11 § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that
12 Santorum 2006 and Gregg R. Melinson, in his official capacity as treasurer (“Santorum 2006”),
13 violated 2 U.S.C. § 441a(f) by knowingly accepting an excessive contribution, and closes the file
14 as to Santorum 2006.

15 **II. DISCUSSION**

16 **A. Excessive Contribution to Santorum 2006 by GSP PAC and HHLS PAC**

17
18 1. Facts

19 Houston Harbaugh Legislative Services (“HHLS”), a limited liability company, was
20 formed as a joint venture between GSP Consulting Corporation (“GSP”) and the Houston
21 Harbaugh law firm, both Pennsylvania corporations, in October 2002; Houston Harbaugh
22 Legislative Services PAC (“HHLS PAC”) was its separate segregated fund (“SSF”). Joint
23 Response at 8-9.¹ GSP had its own SSF, GSP Consulting Corporation PAC (“GSP PAC”). GSP
24 assumed the entire interest of HHLS on December 21, 2005. Joint Response at 9 n.2. HHLS
25 PAC’s Statements of Organization did not disclose any affiliation with GSP or GSP PAC, and

¹ The Joint Response to the complaint was filed on behalf of GSP, GSP PAC, and others.

1 GSP PAC's Statements of Organization likewise did not reflect any affiliation with HHLS or
2 HHLS PAC.

3 GSP PAC admits, and its disclosure reports show, that it contributed a total of \$4,100 to
4 Santorum 2006 (\$2,000 designated to the primary election, \$2,000 designated to the general
5 election and a \$100 in-kind contribution). Joint Response at 10 n.3. HHLS PAC also admits,
6 and its disclosure reports show, that it contributed a total of \$1,500 in undesignated contributions
7 to Santorum 2006. Joint Response at 10 n.3. Thus, the combined contributions to Santorum
8 2006 from GSP PAC and HHLS PAC total \$5,600.

9 2. Analysis

10 A committee must disclose its affiliated committee's or connected organization's name,
11 address and relationship on its Statement of Organization. 2 U.S.C. § 433(b)(2). "Assuming
12 without conceding that GSP PAC and HHLS PAC qualify as affiliated committees," both admit
13 that they did not notify the Commission of their "putative affiliated status." Joint Response at 12.

14 Affiliated committees include SSFs established, financed, maintained or controlled by the
15 same corporation, person or group of persons, including any parent, subsidiary, branch, division,
16 department or local unit thereof. 11 C.F.R. § 100.5(g)(2). Committees also may be affiliated if
17 certain other factors are met. *See* 11 C.F.R. §§ 110.3(a)(2)-(3).

18 Affiliated committees are subject to the contribution limits that apply to a single
19 committee under 2 U.S.C. § 441a(a)(1). 2 U.S.C. § 441a(a)(5). In 2005, the PAC contribution
20 limit was \$2,100 per election, making \$4,200 the total contribution limit from affiliated
21 committees to a Senate candidate for the 2006 primary and general elections. *See* 2 U.S.C.
22 § 441a(c). The two PACs admit that if they were affiliated, they "together contributed in excess

1 of the maximum amount permitted by 2 U.S.C. § 441a(a)(1) and 11 C.F.R. § 110.1(a) to
2 Santorum 2006” by a combined total of \$1,400. Joint Response at 12.

3 Political committees may not knowingly accept contributions in excess of the limits set
4 forth in 2 U.S.C. § 441a(a)(1). In response to the complaint, Santorum 2006 claimed that at the
5 time it accepted the contributions, it did not know the GSP PAC and HHLS PAC were affiliated
6 and noted that once it became aware of the putative affiliation and prior to the complaint being
7 filed, it returned the \$1,400 in excess contributions to GSP PAC. As GSP PAC and HHLS PAC
8 failed to disclose any affiliated status in their Commission filings, and the contributions likely
9 would not have appeared excessive on their face, there is no basis to infer Santorum 2006 knew it
10 was accepting excessive contributions. Therefore, there is no reason to believe that Santorum
11 2006 violated 2 U.S.C. § 441a(f) by knowingly accepting an excessive contribution from GSP
12 PAC and HHLS PAC.

13 **B. McDonald’s Contribution to Santorum 2006**

14 1. Facts

15 On July 7, 2004, Sean McDonald gave a \$2,000 contribution to GSP PAC that was
16 earmarked for Santorum 2006. *See* GSP PAC’s 2004 October Quarterly Report. The 2004
17 October Quarterly Report for Santorum 2006 shows a \$2,000 contribution received from
18 McDonald on August 4, 2004. The complaint alleges these reports show McDonald made two
19 contributions, for a total of \$4,000, to Santorum 2006 for the primary election. The Joint
20 Response states that there was actually only one contribution of \$2,000 earmarked to Santorum
21 2006 that flowed through GSP PAC and that was reported by both GSP PAC and Santorum
22 2006, reflecting “both ends of the same transaction.” Joint Response at 13.

23

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 **RESPONDENT:** Houston Harbaugh Legislative Services PAC **MUR:** 5749
6 and Gregory Harbaugh, in his official capacity as treasurer
7

8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission
10 (“Commission”) by the Center for Responsibility and Ethics in Washington. *See* 2 U.S.C.
11 § 437g(a)(1). For the reasons set forth below, the Commission finds reason to believe that
12 Houston Harbaugh Legislative Services PAC and Gregory Harbaugh, in his official capacity as
13 treasurer (“HHLS PAC”), violated 2 U.S.C. § 433(b)(2) by failing to disclose its affiliated status,
14 and 2 U.S.C. § 441a(a)(1)(A) by jointly making an excessive contribution.

15 **II. DISCUSSION**

16 **A. Facts**

17 Houston Harbaugh Legislative Services (“HHLS”), a limited liability company, was
18 formed as a joint venture between GSP Consulting Corporation and the Houston Harbaugh law
19 firm, both Pennsylvania corporations, in October 2002; HHLS PAC was its SSF. Joint Response
20 at 8-9.¹ GSP assumed the entire interest of HHLS on December 21, 2005. Joint Response at 9
21 n.2. HHLS PAC’s Statements of Organization did not disclose any affiliation with GSP or GSP
22 Consulting Corporation PAC and John Dick, in his official capacity as treasurer (“GSP PAC”),
23 GSP’s SSF, and GSP PAC’s Statements of Organization likewise did not reflect any affiliation
24 with HHLS or HHLS PAC.

¹ The law firm did not have its own SSF. HHLS PAC terminated on March 22, 2006.

1 GSP PAC admits, and its disclosure reports show, that it contributed a total of \$4,100 to
2 Santorum 2006 (\$2,000 designated to the primary election, \$2,000 designated to the general
3 election and a \$100 in-kind contribution). Joint Response at 10 n.3. HHLS PAC also admits,
4 and its disclosure reports show, that it contributed a total of \$1,500 in undesignated contributions
5 to Santorum 2006. Joint Response at 10 n.3. Thus, the combined contributions to Santorum
6 2006 from GSP PAC and HHLS PAC total \$5,600.

7 2. Analysis

8 A committee must disclose its affiliated committee's or connected organization's name,
9 address and relationship on its Statement of Organization. 2 U.S.C. § 433(b)(2). "Assuming
10 without conceding that GSP PAC and HHLS PAC qualify as affiliated committees," both admit
11 that they did not notify the Commission of their "putative affiliated status." Joint Response at 12.

12 Affiliated committees include SSFs established, financed, maintained or controlled by the
13 same corporation, person or group of persons, including any parent, subsidiary, branch, division,
14 department or local unit thereof. 11 C.F.R. § 100.5(g)(2). Committees also may be affiliated if
15 certain other factors are met. *See* 11 C.F.R. §§ 110.3(a)(2)-(3). Although the PACs do not
16 wholly concede their affiliation, it is clear they were affiliated at least from December 21, 2005,
17 when GSP assumed the entire interest of HHLS, *see* Joint Response at 9 n.2, until HHLS PAC
18 terminated in March 2006. While we have not located any public information concerning
19 HHLS's ownership percentages and financing outside these dates, because Kuklis and Dick were
20 simultaneously officers or directors of both GSP and HHLS, Joint Response at 9, there are
21 sufficient grounds to investigate whether the two PACs were affiliated at the time of their
22 contributions to Santorum 2006, which occurred prior to December 2005. *See* AOs (discussing

1 affiliation criteria) 2001-18 (Cingular Wireless); 1997-13 (USA PAC); 1992-17 (Du Pont
2 Merck); 1979-56 (Brunswick).

3 Affiliated committees are subject to the contribution limits that apply to a single
4 committee under 2 U.S.C. § 441a(a)(1). 2 U.S.C. § 441a(a)(5). In 2005, the PAC contribution
5 limit was \$2,100 per election, making \$4,200 the total contribution limit from affiliated
6 committees to a Senate candidate for the 2006 primary and general elections. *See*
7 2 U.S.C. § 441a(c). The two PACs admit that if they were affiliated, they “together contributed
8 in excess of the maximum amount permitted by 2 U.S.C. § 441a(a)(1) and 11 C.F.R. § 110.1(a)
9 to Santorum 2006” by a combined total of \$1,400.² Joint Response at 12. Had either GSP PAC
10 or HHLS PAC been a multicandidate committee, they could have availed themselves of the
11 increased contribution limits set forth in 2 U.S.C. § 441a(a)(2)(A) and avoided making an
12 excessive contribution; however, GSP PAC and HHLS PAC admit they do not qualify as
13 multicandidate committees under 11 C.F.R. § 100.5(e)(3) since their filings demonstrate they
14 each have had fewer than fifty contributors. GSP PAC’s and HHLS PAC’s filings with the
15 Commission show no other jointly excessive contributions.

16 Therefore, there is reason to believe that Houston Harbaugh Legislative Services PAC
17 and Gregory Harbaugh, in his official capacity as treasurer, violated 2 U.S.C. § 433(b)(2) by
18 failing to disclose its affiliated status with GSP Consulting Corporation PAC and John Dick, in
19 his official capacity as treasurer, and 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,600 to
20 Santorum 2006, exceeding the contribution limits by \$1,400.

² Even under the presumptive redesignation regulations, the contributions are still excessive. *See* 11 C.F.R. § 110.1(b)(5)(ii)(B), (C).

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 **RESPONDENT:** Sean McDonald

MUR: 5749

6
7
8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission
10 (“Commission”) by the Center for Responsibility and Ethics in Washington. *See* 2 U.S.C.
11 § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that
12 Sean McDonald violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to
13 Santorum 2006.

14 **II. DISCUSSION**

15 **A. Facts**

16 On July 7, 2004, Sean McDonald gave a \$2,000 contribution to GSP Consulting
17 Corporation PAC (“GSP PAC”) that was earmarked for Santorum 2006. *See* GSP PAC’s 2004
18 October Quarterly Report. The 2004 October Quarterly Report for Santorum 2006 shows a
19 \$2,000 contribution received from McDonald on August 4, 2004. The complaint alleges these
20 reports show McDonald made two contributions, for a total of \$4,000, to Santorum 2006 for the
21 primary election. The information shows that there was actually only one contribution of \$2,000
22 earmarked to Santorum 2006 that flowed through GSP PAC and that was reported by both GSP
23 PAC and Santorum 2006, reflecting both ends of the same transaction.

24 **B. Analysis**

25 The contribution limit for the 2003-2004 election cycle was \$2,000 per election. 2 U.S.C.
26 § 441a(a)(1)(A). Commission records confirm that McDonald made only one \$2,000

1 contribution to Santorum 2006 in 2004.¹ Therefore, there is no reason to believe that Sean
2 McDonald violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to Santorum
3 2006.

¹ McDonald made the contribution on July 7, 2004, but it was not reported as received by Santorum 2006 until August 4, 2004. While GSP PAC was required to forward the earmarked contribution within ten days, the memorandum entry attached to the 2004 October Quarterly Report shows it was “forwarded in the form of original check on 7/12/2004.” This indicates the delay in delivery of the contribution likely occurred in transit.

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 **RESPONDENT:** James Ciminio

MUR: 5749

6
7
8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission
10 (“Commission”) by the Center for Responsibility and Ethics in Washington. *See* 2 U.S.C.
11 § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that
12 James Ciminio violated the Federal Election Campaign Act of 1971, as amended (the “Act”).

13 **II. DISCUSSION**

14 **A. Facts**

15 The complaint mentions that Ciminio, an employee of a GSP Consulting Corporation
16 (“GSP”) client, made an earmarked contribution through GSP Consulting Corporation PAC
17 (“GSP PAC”), but makes no allegations concerning him. Disclosure reports show that on August
18 23, 2004, Ciminio made a \$250 earmarked contribution to Tim Murphy for Congress which
19 flowed through GSP PAC. When contacted, Ciminio stated he remembered being solicited by a
20 GSP principal for a fundraiser for Tim Murphy that GSP was sponsoring and making the
21 contribution, but did not know his check was forwarded through GSP PAC, and did not know
22 GSP even had a separate segregated fund.

23 **B. Analysis**

24 An investigation revealed that Ciminio did not violate the Act, and was apparently only
25 mentioned in the complaint as someone who may have been improperly solicited by GSP.
26 Therefore, there is no reason to believe James Ciminio violated the Act.

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 **RESPONDENT:** Pittsburgh Airport Area Chamber of Commerce

MUR: 5749

6
7
8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission
10 (“Commission”) by the Center for Responsibility and Ethics in Washington. *See* 2 U.S.C.
11 § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that the
12 Pittsburgh Airport Area Chamber of Commerce (“PAACC”) violated the Federal Election
13 Campaign Act of 1971, as amended (the “Act”).

14 **II. DISCUSSION**

15 **A. Facts**

16 The complaint mentions that the PAACC, a GSP Consulting Corporation (“GSP”) client,
17 made an earmarked contribution through GSP Consulting Corporation PAC (“GSP PAC”), but
18 makes no allegations concerning the PAACC. Disclosure reports show that on January 12 and
19 February 2, 2004 the PAACC PAC (not the PAACC itself) made earmarked contributions of
20 \$200 and \$50, respectively, to People for Hart, and on August 23, 2004, made a \$250 earmarked
21 contribution to Tim Murphy for Congress. All three contributions flowed through GSP PAC.
22 When contacted, Sally Haas, treasurer of the PAACC PAC, stated she remembered the January
23 12 and August 23 contributions, but did not remember how the PAACC PAC was solicited.

24 **B. Analysis**

25 An investigation revealed that neither the PAACC nor the PAACC PAC violated the Act,
26 and was apparently only mentioned in the complaint as an entity that may have been improperly

1 solicited by GSP. Therefore, there is no reason to believe the Pittsburgh Airport Area Chamber
2 of Commerce violated the Act.