MISSOURI ETHICS COMMISSION



PO Box 1370 Jefferson City, MO 65102 www.mec.mo.gov (573) 751-2020 / (800) 392-8660

James Klahr Executive Director

November 3, 2016

Richard Monsees, Treasurer LG PAC 520 West 103rd Street, Ste 243 Kansas City MO 64414

Re: File No. 16-0077-I

Dear Mr. Monsees:

The Missouri Ethics Commission considered the complaint filed against you alleging that LG PAC and Freedom Frontier participated in a series of transactions for the purpose of concealing the identity of actual donors to Greitens for Missouri in violation of Section 130.031.3, RSMo.

Freedom Frontier is registered with the IRS as a non-profit 501(c)(4) organization. On its registration, it provided an address of 2101 Cedar Springs Rd, Suite 1050, Dallas, TX 75201.

LG PAC filed its Statement of Organization with the Federal Election Commission on May 16, 2016. Under the entry for Type of Committee, LG PAC identified itself as a Political Action Committee (PAC) and marked the box indicating that it supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee (i.e., nonconnected committee).

Staff review of the complaint determined that LG PAC made several expenditures in June and July of 2016. In total, LG PAC expended over \$4.3 million during that period as reflected in its FEC July 15, 2016 and October 15, 2016 filings with the FEC. The vast majority of the expenditures were for media buys. In its October 15 FEC filing, LG PAC's media buys listed the purpose as "Media buy for State race" and "Media production for state race."

In reviewing LG PAC's FEC filings, staff determined that Freedom Frontier was the only entity making contributions to LG PAC for the time period related to this complaint.

Section 130.031.3, RSMo, provides:

No contribution shall be made or accepted and no expenditure shall be made or incurred, directly or indirectly, in a fictitious name, in the name of another person, or by or through another person in such a manner as to conceal the identity of the actual source of the contribution or the actual recipient and purpose of the expenditure. Any person who receives contributions for a committee shall disclose to that committee's treasurer, deputy treasurer or candidate the recipient's own name and address and the name and address of the actual source of each contribution such person has received for that committee. Any person who makes expenditures for a committee shall disclose to that committee's

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treasurer, deputy treasurer or candidate such person's own name and address, the name and address of each person to whom an expenditure has been made and the amount and purpose of the expenditures the person has made for that committee.

In its FEC filings, LG PAC listed Freedom Frontier as the entity making contributions to it. Staff identified Freedom Frontier as a 501(c)(4) organization. As such, it is a "person" as defined in Section 130.011(22), RSMo. Therefore, LG PAC reported the contributions received from Freedom Frontier in a manner that did not violate Section 130.031.3, RSMo. Its FEC report identified the entity making the contributions to it and staff confirmed that the entity filed reports with the IRS.

From the facts presented, the Commission finds no reasonable grounds exist to support a violation of Chapter 130, RSMo, and is dismissing the complaint.

Sincerely,

James Klahr

Executive Director

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