



FEDERAL ELECTION COMMISSION

Washington, DC 20463

**MEMORANDUM**

**TO:** The Commission

**FROM:** Office of the Commission Secretary <sup>VFV</sup>

**DATE:** July 25, 2019

**SUBJECT:** Statement regarding Advisory Opinion  
Request 2019-10 (Price for Congress)

Attached is a statement from Vice Chairman Matthew S. Petersen and Commissioner Caroline C. Hunter. This matter was on the July 25, 2019 Open Meeting Agenda.

Attachment

**RECEIVED**

By Office of the Commission Secretary at 4:03 pm, Jul 25, 2019



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 25, 2019

TO: The Commission

FROM: Matthew S. Petersen  
Vice Chairman

Caroline C. Hunter  
Commissioner

SUBJECT: Statement regarding Advisory Opinion Request 2019-10 (Price for Congress)

At today's open meeting the Commission discussed pending Advisory Opinion Request 2019-10 (Price for Congress). During this discussion, one of our colleagues referenced certain communications made on Twitter. We believe these communications and a related blog post (attached) should be made part of the official record of this request.



## Tweet



**Rick Hasen**  @rickhasen · 3d

**#ELB:** Former HHS Secretary and Member of Congress Tom Price Poised to Convert \$1.7 Million in Campaign Funds to a 501(c)(4) That Can Play in Georgia (or Federal) Elections [electionlawblog.org/?p=106551](http://electionlawblog.org/?p=106551)



**Ellen P April**  
@EllenAprill

Replying to @rickhasen

The proposed draft gets tax law WRONG. A section 501(c)(4) organization is NOT described in IRC section 170(c). 170(c) describes orgs that can receive receive transfers eligible for charitable contribution deduction - 501(c)(3)s -yes, 501(c)(4)s - NO.



## Tweet



**Rick Hasen** ✓  
@rickhasen



Hey @EllenLWeintraub, about that  
Tom Price draft AO



**Ellen P Aprill** @EllenAprill · 11m

Replying to @rickhasen

The proposed draft gets tax law WRONG. A section 501(c)(4) organization is NOT described in IRC section 170(c). 170(c) describes orgs that can receive receive transfers eligible for charitable contribution...

9:29 PM · 7/21/19 · [Twitter for iPhone](#)

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## Tweet

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**Ellen P Aprill**  
@EllenAprill



Replying to [@rickhasen](#) and [@EllenLWeintraub](#)

My error. - being a knee jerk tax lawyer. Per draft opinion, c-4 promises not to lobby or campaign and thus is described in 170(c) for purposes of the Act and Commission regulations. Not what we tax folk would say. Why set up a c-4 that will operate as a c-3?

9:54 PM · 7/21/19 · [Twitter Web Client](#)



## Thread



**Rick Hasen**   
@rickhasen

[#ELB](#): Former HHS Secretary and Member of Congress Tom Price Poised to Convert \$1.7 Million in Campaign Funds to a 501(c)(4) That Can Play in Georgia (or Federal) Elections [electionlawblog.org/?p=106551](http://electionlawblog.org/?p=106551)

8:26 PM · 7/21/19 · [Twitter Web Client](#)

9 Retweets 7 Likes



**Rick Hasen**  @rickhasen · 3d  
post now updated with an important caveat

## Election Law Blog

# Election Law Blog

The law of politics and the politics of law: election law, campaign finance, legislation, voting rights, initiatives, redistricting, remedies, and the Supreme Court ♦ Rick Hasen's blog

### Former HHS Secretary and Member of Congress Tom Price Poised to Convert \$1.7 Million in Campaign Funds to a 501(c)(4) That Can Play in Georgia (or Federal) Elections (Now Updated with an Important Caveat)

Posted on July 21, 2019 5:25 pm by [Rick Hasen](#)

[This recommendation of the FEC staff](#) would allow Price to do that. A 501(c)(4) can now do lots of election and political activity without getting in trouble with the IRS.

UPDATE: It may be that the limits this 501(c)(4) is putting on itself, at least until it spends down Price's campaign funds, [may curtail](#) some of the political activity it would engage in. But the benefit of this structure would be to [shield future donors](#) from public disclosure.

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