MEMORANDUM

TO: The Commission

FROM: Office of the Commission Secretary $\angle C$

DATE: June 14, 2022

SUBJECT: AO 2022-03 (Democracy Engine)

Additional Requestor Comment

Attached is an additional comment on AO 2022-03 (Democracy Engine). This matter is on the Open Meeting Agenda for June 23, 2022.

Attachment

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RECEIVED

By Office of General Counsel at 2:24 pm, Jun 14, 2022

RECEIVED

By Office of the Commission Secretary at 2:41 pm, Jun 14, 2022



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June 14, 2022

Federal Election Commission Office of the General Counsel 1025 First Street, NE Washington, D.C. 20463

Re: Additional Comments on AO 2022-03 (Democracy Engine, LLC) Following the June 8, 2022 Public Meeting

Dear Commissioners:

Thank you for the opportunity to discuss Democracy Engine LLC's ("Democracy Engine") advisory opinion request at the Commission's June 8, 2022 public meeting. After consulting with our client, we wanted to revise and/or supplement several points arising out of that discussion:

- Contrary to my understanding at the time of the meeting, Democracy Engine is not unique in allowing individuals to contribute to multiple candidates at the same time. ActBlue also allows individuals to contribute to multiple candidates at once. See, e.g., FEC Adv. Op. 2014-13 (ActBlue) (also finding that an entity "does not exercise direction or control when" as here "the contributor has the final say over whether to make a contribution to a given recipient and the amount of any contribution"). In addition, ActBlue also allows corporations and unions to customize a landing page featuring only certain candidates (albeit ActBlue's menu of candidates is limited solely to those of a single political party). And ActBlue incorporates a mechanism whereby corporations and unions can receive real-time data on who has contributed.
- At the time of Wednesday's meeting, I believed that Democracy Engine only charged its
 corporate and union customers a single, up-front fee for the use of its product. In
 speaking with our client, however, I understand that some customers may be charged an
 ongoing service fee for their continued use of the platform. But this is wholly dependent
 on the offerings the corporate/union customer has chosen to purchase.
- To reiterate, the corporate/union customers are not underwriting the cost of any
 individual's contribution, nor are they providing a benefit to individual contributors in a
 broader sense. In other words, the individual donors here are not getting a cheaper fee
 compared to individuals who use Democracy Engine's other offerings.

For these and the other reasons previously articulated, we urge the Commission to adopt Draft B.

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Carol 1. Laban

Sincerely,

Carol A. Laham

Andrew G. Woodson