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Florida Elections Commission
107 West Gaines Street, Suite 224
Tallahassee, Florida 32399-1050

Re: Numerous Reporting Violations by Florida Grown PC, a Political Committee Affiliated with Commissioner Adam Putnam

Pursuant to your authority under Section 106.25(2) of the Florida Election Code and the attached Confidential Complaint Form, this letter serves as a formal complaint against Florida Grown PC, a political committee associated with Agricultural Commissioner Adam Putnam.¹ According to news sources and public records, Florida Grown PC has repeatedly violated the Florida Election Code by failing to disclose the ultimate recipient of certain expenditures and circumventing the requirement to disclose those expenditures' "primary purpose," as is required by Section 106.07(4)(a)(13).² By failing to accurately report these expenditures, Florida Grown PC has "falsely report[ed] or deliberately fail[ed] to include" otherwise required information --a violation of Section 106.19(1)(c) of the Florida Election Code. Accordingly, we request the Florida Elections Commission ("Commission") immediately investigate these violations.

I. Factual Background

In 2015, Florida Grown PC registered with the Commission as a political committee associated with Adam Putnam, the second-term Agricultural Commissioner.³ According to news sources, "Commissioner Adam Putnam has raised more than \$9.4 million for [the] 2018 governor's race he has yet to announce and, in the last two

¹ Attachment A, Statement of Organization, Florida Grown PC (filed Feb. 11, 2015); Purpose and Mission, Florida Grown PC, available at <http://floridagrownpc.com>.

² Fla. Stat. Ann. § 106.07(4)(a)(13); see also Mary Ellen Klas, *Adam Putnam and the \$75,000 a Month Consulting Firm*, Miami Herald (Mar. 26, 2017), available at <http://www.miamiherald.com/news/politics-government/state-politics/article140678328.html>;

Attachment B, Campaign Expenditures, Florida Grown PC.

³ Attachment A; see also *Adam Putnam Re-elected as Florida's Agricultural Commissioner*; Associated Press (Nov. 14, 2014), available at <http://jacksonville.com/breaking-news/2014-11-04/story/adam-putnam-re-elected-floridas-agriculture-commissioner>; Jeremy S. Wallace, *Adam Putnam Continues to Pile up Cash*, Miami Herald (Dec. 27, 2016), available at <http://miamiherald.typepad.com/nakedpolitics/2016/12/adam-putnam-continues-to-pile-up-cash.html>; Purpose and Mission, Florida Grown PC, available at <http://floridagrownpc.com>.

years, spent \$1.8 million of it on a Lakeland-based political consulting firm that has failed to disclose how the expenses were paid.”⁴

This Lakeland-based consulting firm is called Silloh Consulting, a “company held by Justin Hollis, who chairs Florida Grown [PC],”⁵ and according to news sources and publicly available expenditure reports, “70 percent of the \$2.6 million spent by Putnam’s political committee, Florida Grown [PC], went to Silloh Consulting... [with n]early \$1.3 million in lump sum payments...for the purpose of political consulting.”⁶ In fact, between June of 2015 and the present, Florida Grown PC has made over 40 expenditures to Silloh Consulting for the reported purpose of “consulting” or “political consulting” -- over half of which exceed \$49,000.⁷

When asked about these expenditures, Justin Hollis reportedly told the *Miami Herald* that “it is not accurate to conclude that he is personally making as much as \$75,000 a month for the funds received by his consulting firm but would not explain how the practice complies with Florida campaign finance law.”⁸ Hollis continued that “Silloh Consulting is a Florida-based small business that consists of multiple individuals and offers a myriad of political consulting services, including fundraising, event planning, communications and outreach, among others.”⁹

II. Legal Analysis

Under the Florida Election Code, a political committee must file timely and accurate reports with the Commission, containing, among other things, the “full name and address of each person to whom expenditures have been made by or on behalf of the committee or candidate within the reporting period; the amount, date, and purpose of each such expenditure; and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.”¹⁰ “Expenditure” is defined as a “purchase, payment, distribution, loan, advance...or gift of money or anything of value made for the purpose of influencing the results of an election or making an electioneering communication.”¹¹

Additionally, for an expenditure made “indirectly through a campaign treasurer...for goods and services such as communications media placement or procurement services, campaign signs, insurance, and *other expenditures that include multiple components as part of the expenditure*,” reports must include the “primary purpose”

⁴ Klas, *supra* note 2.

⁵ Jim Rosica, *March Money Pours into Adam Putnam Committee*, Florida Politics (Apr. 7, 2016), available at <http://floridapolitics.com/archives/206483-march-money-pours-adam-putnam-fundraising-panel>.

⁶ Klas, *supra* note 2 (emphasis added).

⁷ Attachment B, Campaign Expenditures, Florida Grown PC.

⁸ Klas, *supra* note 2.

⁹ *Id.*

¹⁰ Fla. Stat. Ann. § 106.07(4)(a)(6).

¹¹ *Id.* § 106.011(10)(a).

of the expenditure.¹² The “primary purpose” is “the purpose, including integral and directly related components, that comprises 80 percent of such expenditure.”¹³

Despite these reporting obligations, Florida Grown PC continues to report large, lump sum payments to Silloh Consulting with the stated purpose of “consulting” or “political consulting.”¹⁴ Yet, Hollis’ own remarks suggest otherwise. According to Hollis, “it is not accurate to conclude that he is personally making as much as \$75,000 a month for the funds received by his consulting firm,” and Silloh Consulting offers numerous services “including fundraising, event planning, communications and outreach.”¹⁵ Together, these statements suggest that Silloh Consulting does not keep all of the funds it receives from Florida Grown PC, and instead, Silloh Consulting spends those funds to perform the myriad of other services it provides on behalf of Florida Grown PC.

If Silloh Consulting does not retain the funds given to it by Florida Grown PC, and instead makes subsequent expenditures on behalf of Florida Grown PC, those expenditures to Silloh Consulting constitute “expenditures that include multiple components as part of the expenditure,” and must be reported along with the “primary purpose” of the funds.¹⁶ Florida Grown PC is not currently satisfying that requirement. Given Hollis’ own statement about the various services provided by Silloh Consulting, it seems unlikely that “consulting” or “political consulting” would accurately describe the “integral and directly related components, that comprise[] 80 percent of...expenditure[s]” made to Silloh Consulting.¹⁷

III. Conclusion

As the *Miami Herald* points out, Florida Grown PC’s current reporting scheme makes it impossible to know “[h]ow much of [each expenditure to Silloh Consulting] was used to compensate vendors, pollsters, fundraisers, advertisers, opposition researchers, media interests and others...”¹⁸ By only reporting the purpose of these expenditures as “consulting” or “political consulting,” Florida Grown PC is withholding relevant information that the Florida Election Code intends for political committees to disclose under Section 106.07(4)(a)(13). Given the clear violations of Section 106.07(4)(a)(13) of the Florida Election Code, and the public records documenting these repeated violations, we request this Commission immediately launch an investigation into these claims and take appropriate remedial action against Florida Grown PC.

Sincerely,

Elisabeth Pearson

¹² *Id.* § 106.07(4)(a)(13) (emphasis added).

¹³ *Id.*

¹⁴ Attachment B, Campaign Expenditures, Florida Grown PC.

¹⁵ Klas, *supra* note 2.

¹⁶ Fla. Stat. Ann. § 106.07(4)(a)(13).

¹⁷ *Id.*

¹⁸ Klas, *supra* note 2.