

March 18, 2019

Hon. William P. Barr
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue NW
Washington DC 20530-0001

Dear Attorney General Barr:

Common Cause requests that the Department of Justice exercise its authority to investigate whether Li Juan “Cindy” Yang, Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and unknown persons (John and/or Jane Doe) have violated provisions of the Federal Election Campaign Act (“FECA”), 52 U.S.C. § 30101 *et seq.*, by making “straw donor” contributions to the Trump Victory joint fundraising political committee, the Donald J. Trump for President, Inc. campaign committee and/or the Republican National Committee.

The attached complaint, filed on this date with the Federal Election Commission (FEC), details the relevant facts establishing reason to believe that:

- Li Juan “Cindy” Yang and/or unknown persons made one or more contributions to the Trump Victory committee using so-called “straw donors” in violation of 52 U.S.C. § 30122, which prohibits contributions “in the name of another”;
- Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or unknown persons knowingly permitted their names to be used by a true contributor (i.e., Li Juan “Cindy” Yang and/or John and/or Jane Doe) to make contributions to the Trump Victory committee in violation of 52 U.S.C. § 30122;
- Li Juan “Cindy” Yang and/or unknown persons made contributions to Donald J. Trump for President, Inc. in violation of 52 U.S.C. § 30116(a)(1); and
- Li Juan “Cindy” Yang and/or unknown persons caused Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee to falsely report the identification of one or more contributors in violation of 52 U.S.C. § 30104(b)(3)(A).

Although the Federal Election Commission (FEC) has exclusive jurisdiction over civil enforcement of the campaign finance laws, 52 U.S.C. § 30109(a), the Department of Justice has its own separate responsibility to enforce the campaign finance laws against “knowing and willful” violations. 52 U.S.C. § 30109(d); *see generally* FEDERAL PROSECUTION OF ELECTION OFFENSES (8th ed. December 2017) (DOJ HANDBOOK). The DOJ HANDBOOK takes particular note of the fact that Congress increased criminal penalties for campaign finance violations as part of the Bipartisan Campaign Reform Act of 2002 (BCRA). As the Handbook states, at pp. 151-52:

The BCRA amendments to FECA in 2002 significantly enhanced the criminal penalties for willful violations of FECA. BCRA did so in response to identified anti-social consequences, namely, corruption and the appearance of corruption arising from FECA violations, and the consequent adverse effect on the proper functioning of American democracy.

These issues are addressed comprehensively in the Supreme Court's decision in *McConnell v. Fed. Election Comm'n*, 540 U.S. 93 (2003). Accordingly, all willful FECA violations that exceed the applicable jurisdictional floor specified in the Act's criminal provision should be considered for federal prosecution under one or more of the prosecutive theories presented above.

The Handbook discusses at length (pp. 141-42) violations of 52 U.S.C. § 30122—the principal violations alleged in the instant complaint, which the Handbook describes as “conduit crimes.” The Handbook explains that this statutory provision “prohibits conduct that is often used by perpetrators to disguise other campaign financing violations, such as contributions over the Act's limits in violation of Section 30116, or from prohibited sources in violation of Section 30118 or Section 30121.” The Handbook further explains:

Conduit violations also may be prosecuted under the federal conspiracy and false statement statutes, 18 U.S.C. §§ 371 and 1001. Courts have held that the use of conduits to disguise illegal contributions to federal candidates is evidence of an intent to interfere with the accurate reporting of campaign contributions, an intent to defraud the FEC, and an intent to cause false information to be conveyed to the FEC.

Additionally, the Department of Justice is responsible for enforcing criminal code provisions that prohibit aiding and abetting offenses against the United States, 18 U.S.C. § 2, conspiring to commit offenses against the United States, 18 U.S.C. § 371, and attempting to conspire to commit offenses against the United States, 18 U.S.C. § 1349.

We urge the Department of Justice to investigate all possible violations of the Federal Election Campaign Act and other federal laws in this matter.

Respectfully submitted,



Common Cause, by
Paul S. Ryan
Vice President, Policy and Litigation
805 Fifteenth Street, NW, Suite 800



Washington, DC 20005
(202) 833-1200

Copy to:

Brian A. Benczkowski, Assistant Attorney General, Criminal Division

AnnaLou Tirol, Acting Chief, Public Integrity Section



BEFORE THE FEDERAL ELECTION COMMISSION

COMMON CAUSE
805 Fifteenth Street NW, Suite 800
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PAUL S. RYAN
805 Fifteenth Street NW, Suite 800
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v.

MUR No. _____

LI JUAN "CINDY" YANG
3189 Hamblin Way
Wellington, FL 33414

BINGBING PERANIO
17598 Cinquez Park Rd E
Jupiter, FL 33458

KATRINA EGGERTSSON
17671 35th Pl N
Loxahatchee, FL 33470

GONG HAIZHEN
12216 Melissa Way
Hollywood, FL 33026

JOHN AND/OR JANE DOE(S), unknown person(s) who made one or more contributions in the name of another or knowingly permitted their name(s) to be used by a true contributor to make contributions to Trump Victory

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information providing reason to believe that Li Juan "Cindy" Yang, Bingbing Peranio, Katrina Eggertsson,

Gong Haizhen and unknown persons (John and/or Jane Doe) have violated provisions of the Federal Election Campaign Act (“FECA”), 52 U.S.C. § 30101 *et seq.*, and Commission regulations.

2. Specifically, based on published reports and disclosure reports filed with the Commission, complainants have reason to believe that Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) made one or more contributions to Trump Victory (FEC ID#C00618389) using so-called “straw donors” in violation of 52 U.S.C. § 30122, which prohibits contributions “in the name of another.”
3. Further, based on published reports and disclosure reports filed with the Commission, complainants have reason to believe that Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or unknown person(s) (John and/or Jane Doe) knowingly permitted their name(s) to be used by a true contributor (*i.e.*, Li Juan “Cindy” Yang and/or John and/or Jane Doe) to make contributions to Trump Victory in violation of 52 U.S.C. § 30122.
4. Further, based on published reports and disclosure reports filed with the Commission, complainants have reason to believe that Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) made contributions to Donald J. Trump for President, Inc. (FEC ID#C00580100) in violation of 52 U.S.C. § 30116(a)(1) and caused Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee to falsely report the identification of one or more contributors in violation of 52 U.S.C. § 30104(b)(3)(A).
5. “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [the FECA] . . . [t]he Commission shall make an



investigation of such alleged violation . . .” 52 U.S.C. § 30109(a)(2); see also 11 C.F.R.

§ 111.4(a) (emphasis added).

6. “A ‘reason to believe’ finding followed by an investigation would be appropriate when a complaint credibly alleges that a significant violation may have occurred, but further investigation is required to determine whether a violation in fact occurred and, if so, its exact scope.” FEC, Statement of Policy Regarding Commission Action in Matters at the Initial Stage in the Enforcement Process, 72 Fed. Reg. 12545 (March 16, 2007).

FACTS

7. On March 16, 2019, the *New York Times* reported that early in 2018 the Trump Victory joint fundraising committee, made up of the Republican National Committee (FEC ID#C00003418) and Donald J. Trump for President, Inc.,¹ announced an “evening reception with Donald J. Trump” in March 2018 at his Mar-a-Lago resort in Florida.²
8. According to the *New York Times*, a “contribution of \$2,700 toward the president’s re-election would get you in the door. Two seats for dinner were on offer for \$25,000. And there was a third option: for \$50,000, dinner for two and a photo with Mr. Trump. Cindy Yang was determined to get the photo.”³

¹ See Trump Victory, Statement of Organization—Amended, March 31, 2017, available at <http://docquery.fec.gov/pdf/774/201703319051902774/201703319051902774.pdf>.

² Frances Robles, Michael Forsythe and Alexandra Stevenson, “She Extols Trump, Guns and the Chinese Communist Party Line,” NEW YORK TIMES, March 16, 2019, available at <https://www.nytimes.com/2019/03/16/us/cindy-yang-trump-donations.html>.

³ *Id.*



9. The *New York Times* explained that there “was a hurdle” Ms. Yang had to overcome to get the photo she wanted with President Trump: “The invitation limited campaign contributions to \$5,400 per person, so Ms. Yang, a Chinese immigrant who had set up a string of day spas in Florida and was active in groups backed by the Chinese government and Communist Party, needed others to chip in.”⁴
10. According to the *New York Times*, in the weeks leading up to the March 2018 Trump Victory event, “at least nine people in Ms. Yang’s orbit, some of them with modest incomes, made donations at exactly \$5,400” and Ms. Yang “ended up at the dinner.”⁵
11. The *New York Times* reported: “One of the \$5,400 political donations came from a 25-year-old woman who gives facials at a beauty school, in a strip mall in nearby Palm Beach Gardens that is owned by Ms. Yang’s family. Another \$5,400 came from a woman who says she worked as a receptionist at a massage parlor owned by Ms. Yang’s husband. A third gift of \$5,400 came from an associate of Ms. Yang’s who had been charged in 2014 after a prostitution sting with practicing health care without a license, police records show.”⁶
12. One of these individuals, Bingbing Peranio, the receptionist at a massage parlor owned by Ms. Yang’s husband, spoke with a reporter about her relationship with Ms. Yang and “said Ms. Yang had come to the spa where she worked at the time and helped fill out the check toward the president’s campaign.”⁷ According to the *New York Times*, Ms. Peranio stated: “I can’t say she

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

was pushing me or not pushing me, but I worked there then[.] . . . I was working there. I didn't say no."⁸

13. "Asked if Ms. Yang had reimbursed her for the \$5,400, Ms. Peranio said, 'I do not want to answer that question.' . . . The other contributors declined to be interviewed or did not respond to requests for comment."⁹

14. The *New York Times* explained: "It is rare for workers in the massage and spa business to support candidates for office at such high-dollar levels, according to an analysis of Federal Election Commission records. In 2017 and 2018, of the nearly 65,000 donations made by people listed as massage therapists on F.E.C. disclosures, only two gave the maximum \$5,400, including one of the Trump donors connected to Ms. Yang."¹⁰

15. The *New York Times* contacted Ms. Yang, but she "declined to discuss the contributions or her attendance at the Mar-a-Lago event."¹¹

16. The *New York Times* reported: "In addition to the spa workers, the federal records show three relatives of Ms. Yang—including her husband and her mother—and two business associates who donated \$5,400. In total, the donations from Ms. Yang and the others came to at least \$54,000. Ms. Yang got her photo with the president, which she received in the mail signed by

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*



Mr. Trump in silver ink. She posted it to Facebook on March 22 and to her company's website, which has since been taken down."¹²

17. According to the *New York Times*, "[o]ne of the donors to Mr. Trump's re-election effort with connections to Ms. Yang[, Katrina Eggertsson,] was seated at the reception desk at a nail salon next door to the beauty school. . . . 'Since I am friends with Cindy, you need to contact that person,'" said Eggertsson, referring to Ms. Yang's attorney Evan W. Turk.¹³
18. Another of the donors identified by the *New York Times*, Gong Haizhen, "confirmed by phone that she had made the \$5,400 donation but then hung up."¹⁴ And another donor, "a massage therapist named Yang Yi, lives north of Miami and is linked to a home in a gated community that is listed in public records as belonging to Cindy Yang. It is unclear if they are related."¹⁵
19. On April 15, 2018, the Trump Victory (FEC ID#C00618389) filed a Form 3x Report of Receipts and Disbursements disclosing its fundraising and spending activities for the first three months of 2018.¹⁶
20. According to the April 15 2018 Trump Victory report, Li Juan Yang made a \$5,400 contribution to Trump Victory on March 5, 2018¹⁷ after having made a \$2,700 contribution to Trump Victory on February 17, 2018.¹⁸

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ Trump Victory, Report of Receipts and Disbursements, April 15, 2018, *available at* <http://docquery.fec.gov/pdf/708/201804159108134708/201804159108134708.pdf>.

¹⁷ *Id.* at p. 191 of 218.

¹⁸ *Id.*



21. According to the April 15, 2018 Trump Victory report, Bingbing Peranio made a \$5,400 contribution to Trump Victory on March 5, 2018.¹⁹ Ms. Peranio's employer is listed as Fufu International and her occupation is listed as "manager" on the report.²⁰ According to the *New York Times*, Fufu International is reportedly Cindy Yang's "art-promotion company" and Ms. Peranio now works as a receptionist at a massage parlor owned by Ms. Yang's husband.²¹
22. According to the April 15, 2018 Trump Victory report, Katrina Eggertsson made a \$5,400 contribution to Trump Victory on March 5, 2018.²² Ms. Eggertsson's employer is listed as Tokyo Beauty & Massage School and her occupation is listed as "facial instructor" on the report.²³ According to *NBC Miami*, Cindy Yang is former manager of Tokyo Beauty and Massage School of Palm Beach Gardens.²⁴
23. According to the April 15, 2018 Trump Victory report, Gong Haizhen made a \$5,400 contribution to Trump Victory on March 5, 2018.²⁵

¹⁹ *Id.* at p. 132 of 218.

²⁰ *Id.*

²¹ Frances Robles, Michael Forsythe and Alexandra Stevenson, "She Extols Trump, Guns and the Chinese Communist Party Line," *NEW YORK TIMES*, March 16, 2019, available at <https://www.nytimes.com/2019/03/16/us/cindy-yang-trump-donations.html>.

²² Trump Victory, Report of Receipts and Disbursements, April 15, 2018, at p. 47 of 218, available at <http://docquery.fec.gov/pdf/708/201804159108134708/201804159108134708.pdf>.

²³ *Id.*

²⁴ Tony Pipitone, "From Day Spa Founder to Selfies With President Trump," *NBC Miami*, March 8, 2019, available at <https://www.nbcmiami.com/news/local/From-Day-Spa-Founder-to-Selfies-With-President-Trump-506892631.html>.

²⁵ Trump Victory, Report of Receipts and Disbursements, April 15, 2018, at p. 63 of 218, available at <http://docquery.fec.gov/pdf/708/201804159108134708/201804159108134708.pdf>.

SUMMARY OF THE LAW

CONTRIBUTION LIMITS

24. FECA provides that “no person shall make contributions . . . to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$2,000” or “to the political committees established and maintained by a national political party . . . in any calendar year which, in the aggregate, exceed \$25,000.” 52 U.S.C. § 30116(a)(1).
25. FECA’s contribution limits in 2018, as adjusted pursuant to 52 U.S.C. § 30116(c), were \$2,700 per election for contributions to candidates and \$33,900 per calendar year for contributions to national party committees.²⁶ FECA’s contribution limits today, as adjusted for the 2019-20 election cycle \$2,800 per election for contributions to candidates and \$35,500 per calendar year for contributions to national party committees.²⁷

PROHIBITION ON CONTRIBUTIONS IN THE NAME OF ANOTHER

26. FECA provides that “[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.” 52 U.S.C. § 30122.

²⁶ See FEC, Contribution Limits for 2017-2018 Federal Elections, *available at* <https://transition.fec.gov/pages/brochures/contriblimitschart.htm>.

²⁷ FEC, Contribution limits for 2019-2020, February 7, 2019, *available at* <https://www.fec.gov/updates/contribution-limits-2019-2020/>.



27. The Commission regulation implementing the statutory prohibition on “contributions in the name of another” provides the following examples of “contributions in the name of another”:
- “Giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made.” 11 C.F.R. § 110.4(b)(2)(i).
 - “Making a contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.” 11 C.F.R. § 110.4(b)(2)(ii).

POLITICAL COMMITTEE REPORTING REQUIREMENTS

28. FECA requires the treasurer of a political committee to sign and file periodic disclosure reports of receipts and disbursements, see 52 U.S.C. § 30104(a)(1), pursuant to the schedule set forth in the statute, see 52 U.S.C. § 30104(a)(4).
29. Such political committee disclosure reports must include, *inter alia*, the “identification of each person who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of \$200 within the calendar year . . . [.]” 52 U.S.C. § 30104(b)(3)(A).

CAUSES OF ACTION

COUNT I:

Reason to believe that Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) made contributions to Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee in the names of one or more other persons in violation of 52 U.S.C. § 30122.

30. Paragraphs 1 through 29 are incorporated herein.



31. Based on the published report detailed above, complainants have reason to believe that Li Juan “Cindy” Yang attended a Trump Victory “evening reception with Donald J. Trump” in March 2018 at Mar-a-Lago resort and obtained a photograph of herself with President Trump. The cost of dinner for two and a photo with Mr. Trump at the event was reportedly \$50,000.
32. In the weeks leading up to the March 2018 Trump Victory event, “at least nine people in Ms. Yang’s orbit, some of them with modest incomes, made donations at exactly \$5,400.”²⁸ Ms. Yang made a \$5,400 contribution to Trump Victory on March 5, 2018. Ms. Yang’s contribution combined with \$5,400 contributions to Trump Victory from nine people “in Ms. Yang’s orbit” would equal \$54,000—meeting the \$50,000 event price tag for a photo with President Trump.
33. One of the \$5,400 contributions came from a 25-year-old woman who gives facials at a beauty school. Another \$5,400 contribution came from a woman, Ms. Peranio, who worked as a receptionist at a massage parlor owned by Ms. Yang’s husband, who stated that Ms. Yang came to the spa where she worked at the time and “helped fill out the check toward the president’s campaign.”²⁹ “Asked if Ms. Yang had reimbursed her for the \$5,400, Ms. Peranio said, ‘I do not want to answer that question.’”³⁰
34. Beyond Ms. Peranio, the other contributors associated with Ms. Yang who contributed \$5,400 to Trump Victory “declined to be interviewed or did not respond to requests for comment.”³¹

²⁸ Frances Robles, Michael Forsythe and Alexandra Stevenson, “She Extols Trump, Guns and the Chinese Communist Party Line,” NEW YORK TIMES, March 16, 2019, *available at* <https://www.nytimes.com/2019/03/16/us/cindy-yang-trump-donations.html>.

²⁹ *Id.*

³⁰ *Id.*

³¹ *Id.*

35. Based on the published report detailed above and disclosure reports filed with the Commission, complainants have reason to believe that Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) made contributions to Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee in the names of Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or one or more unknown persons (John and/or Jane Doe)—by providing money to these individuals used to make their contributions to Trump Victory—in violation of 52 U.S.C. § 30122.

COUNT II:

Reason to believe Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or one or more unknown persons (John and/or Jane Doe) knowingly permitted their names to be used by Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) to make contributions to Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee in violation of 52 U.S.C. § 30122.

36. Paragraphs 1 through 35 are incorporated herein.

37. Based on the published report detailed above and disclosure reports filed with the Commission, complainants have reason to believe that Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or one or more unknown persons (John and/or Jane Doe) knowingly permitted their names to be used by Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe)—*i.e.*, the true contributors—to make contributions to Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee in violation of 52 U.S.C. § 30122.



COUNT III:

Reason to believe that Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) made contributions to Donald J. Trump for President, Inc. in violation of 52 U.S.C. § 30116(a)(1).

38. Paragraphs 1 through 37 are incorporated herein.
39. The invitation to the March 2018 Trump Victory event reportedly noted a \$5,400 limit per person to Donald J. Trump for President, Inc.—a limit consistent with the \$2,700 per election candidate contribution limit in effect at the time of the event. Trump Victory’s solicitation of \$5,400 contributions suggests the existence of a joint fundraising allocation formula (required by 11 C.F.R. § 102.17(c)) distributing the first \$5,400 of an individual’s contribution to Donald J. Trump for President, Inc.
40. Based on the published report detailed above and disclosure reports filed with the Commission, complainants have reason to believe that contributions made by Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) in the names of Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or one or more unknown persons (John and/or Jane Doe) were allocated to Donald J. Trump for President, Inc. in violation of Ms. Yang’s or John and/or Jane Doe’s 2018 limit of \$5,400 and/or the \$5,600 limit currently in effect³² under 52 U.S.C. § 30116(a)(1).

COUNT IV:

Reason to believe that Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) caused Trump Victory, Donald J. Trump for

³² FEC, Contribution limits for 2019-2020, February 7, 2019, *available at* <https://www.fec.gov/updates/contribution-limits-2019-2020/>.

President, Inc. and/or the Republican National Committee to falsely report the identification of one or more contributors in violation of 52 U.S.C. § 30104(b)(3)(A).

41. Paragraphs 1 through 40 are incorporated herein.
42. Based on the published report detailed above and disclosure reports filed with the Commission, complainants have reason to believe that by making contributions in the names of Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and/or one or more unknown persons (John and/or Jane Doe), Li Juan “Cindy” Yang and/or unknown person(s) (John and/or Jane Doe) caused Trump Victory, Donald J. Trump for President, Inc. and/or the Republican National Committee to falsely report the identification of one or more contributors in violation of 52 U.S.C. § 30104(b)(3)(A).

PRAYER FOR RELIEF

43. Wherefore, the Commission should find reason to believe that Li Juan “Cindy” Yang, Bingbing Peranio, Katrina Eggertsson, Gong Haizhen and one or more unknown persons (John and/or Jane Doe) have violated 52 U.S.C. § 30101 *et seq.*, including 52 U.S.C. §§ 30104, 30116 and 30122, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2). Further, the Commission should determine and impose appropriate sanctions for any and all violations, should enjoin the respondents from any and all violations in the future, and should impose such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

March 18, 2019

Respectfully submitted,



COMMON CAUSE, by
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VERIFICATION

The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn to pursuant to 18 U.S.C. § 1001.

For Complainants COMMON CAUSE and PAUL S. RYAN



Paul S. Ryan

Sworn to and subscribed before me this 18th day of March, 2019.



Notary Public

