

NEWSLETTER

Employee's LinkedIn Profile Puts Company Under FEC Microscope

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When Texas Republican Wesley Hunt updated his LinkedIn profile, it is unlikely that he – or his employer, Perry Homes Building Company – thought much of the changes. But when Hunt ran for Congress last year, the GOPer's political opponents certainly found his resume interesting – and worthy of a Federal Election Commission (FEC) complaint against candidate and company.

According to his LinkedIn bio, Hunt began working at Perry Homes in November of 2018. And according to his Senate financial disclosures, the company paid Hunt \$51,722.53 for his work during the 2018 calendar year. Taking these two data points together, the complaint reasoned that Perry Homes appeared to be paying a "Phase II Construction Manager" a \$300,000+ annualized salary. (Other documents suggest that the base pay for this position should actually have been around \$18/hour.) In the complaint's view, such an exorbitant salary could only be part of a stealth attempt to subsidize Hunt's campaign rather than payment of income for *bona fide* business purposes. The complaint also surmised that Hunt continued to be paid this amount even when he shifted to part-time status in 2019 to free up time to devote toward his congressional campaign.

In 40 pages of legal responses, however, Hunt and Perry Homes established otherwise. As an initial matter, Hunt acknowledged that his LinkedIn bio was wrong. Rather than joining Perry Homes in November 2018, he actually began work there in April. Thus, the \$51,000+ in salary Hunt disclosed was actually spread over sevenand-a-half months rather than two, yielding an average monthly salary more consistent with his position. As to his 2019 work, the responses acknowledged that Hunt became a part-time, independent contractor around the time he declared his candidacy early that year,

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and that his new position involved the provision of training services on behalf of the company's human resources department. But in a step heavily credited by the FEC, Perry Homes had obtained a third-party, objective survey that it used to establish the compensation level for the new position (i.e., \$116,000 annually, although this figure was in actuality reduced given that Hunt was only working part time). In light of that documentation, which was unrefuted by the complainant, the Commission concluded that there were genuine reasons for paying Hunt the indicated salary and unanimously dismissed the matter.

This case serves as an important reminder of the issues that can arise when employing a candidate for federal office, as well as one key step employers can take to protect themselves in the event that their employee continues to draw a salary while campaigning. Relevant documents from the case, styled as Matter Under Review 7710, can be found here.

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