



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 1568

DATE SCANNED 10-16-07

SCANNER NO. 2

SCAN OPERATOR Jmw

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2007 FEB -1 A 10:39

February 1, 2007

SENSITIVE

MEMORANDUM

TO: THE COMMISSION

THROUGH: PATRINA M. CLARK *pmc*
STAFF DIRECTOR

MARGARITA MAISONET *mm*
CHIEF COMPLIANCE OFFICER

FROM: JOHN D. GIBSON *gd*
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: REASON TO BELIEVE RECOMMENDATION - 2006 (ELECTION-SENSITIVE) OCTOBER QUARTERLY REPORT FOR THE ADMINISTRATIVE FINES PROGRAM

Attached is a list of political committees and their treasurers who failed to file or failed to timely file, the 2006 October Quarterly Report in accordance with 2 U.S.C. 434(a). On September 21, 2006, Prior Notice was sent to all political committees and their treasurers, informing them that the October Quarterly Report was due on October 15, 2006. The report should have covered the period ending on September 30, 2006.

Under the Administrative Fines Program, the October Quarterly Report is considered an election-sensitive filing for authorized committees supporting candidates involved in the general election as well as all unauthorized committees. For the committees listed on the attached RTB Circulation Report, the October Quarterly Report was an election-sensitive filing. The committees either filed the report more than five (5) days after the due date, failed to file the report or failed to file the report prior to four (4) days before the general election (considered a non-filed report). In accordance with the schedule of civil money penalties for reports at 11 C.F.R. 111.43, these committees should be assessed the civil money penalties included on the attached report.

Recommendation

- (1) Find reason to believe that the political committees and their treasurers listed on the Reason to Believe (RTB) Circulation Report violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalties would be the amounts indicated on the RTB Circulation Report.
- (2) Send the appropriate RTB letters.

Federal Election Commission
Reason to Believe Circulation Report
2006 OCTOBER QUARTERLY Election Sensitive 10/15/2006 H_S_UNAUTH

AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	PV	Receipt Date	Days Late	LOA	RTB Penalty
1555	C00141242	AGRI-MARK, INC LEGISLATIVE AND EDUCATIONAL COMMITTEE (ALEC)		HAROLD LARRABEE	\$104,244	0	10/25/2006	10	\$14,953	\$250
1556	C00396028	AL GREEN FOR CONGRESS	GREEN, ALEXANDER	WILLIAM A. LAWSON	\$588,725	2	10/24/2006	9	\$41,014	\$782
1557	C00412718	AMERICANS AGAINST ILLEGAL IMMIGRATION PAC		JOHN W. LEUTHOLD	\$1,422,337	0	10/26/2006	11	\$500,041	\$5,950
1558	C00426262	COMMITTEE TO ELECT JAKE FORD FOR CONGRESS, THE	FORD, NEWTON JAKE	SIR ISAAC FORD	\$131,898	0	10/27/2006	12	\$103,759	\$2,400
1559	C00355818	COUNCIL OF SCHOOL SUPERVISORS AND ADMINISTRATORS LOCAL 1 AFSA AFL-CIO		ANITA GOMEZ-PALACIO	\$104,287	0	11/6/2006	22	\$20,458	\$900
1560	C00425694	IA VETS FOR CONGRESS	DUCKWORTH, L. TAMMY	MALEA STENZEL	\$149,386	0	10/24/2006	9	\$149,136	\$2,025
1562	C00419267	MOUNTAIN FOR US SENATE	MOUNTJOY, RICHARD L	PEGGY A. MEW	\$318,509	0	10/21/2006	6	\$24,910	\$2,550
1564	C00188987	NATIONAL ASSOCIATION FOR HOME CARE POLITICAL ACTION COMMITTEE		MICHAEL N. WOODS	\$136,269	0	10/29/2006	14	\$24,581	\$290
1565	C00143362	PLUMBERS LOCAL 519 POLITICAL ACTION COMMITTEE		PHIL TRUCKS JR	\$142,202	1	10/23/2006	8	\$21,885	\$287
1566	C00396655	SAN ANTONIO POLICE OFFICERS ASSOCIATION POLITICAL ACTION COMMITTEE		ROBERT GRAJEDA	\$388,946	3	10/25/2006	10	\$28,682	\$962

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AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	P/V	Receipt Date	Days Late	LOA	RTB Penalty
1567	C00417576	TERRIPAC		BRIAN SCHIAVO	\$111,837	0	10/27/2006	12	\$63,949	\$1,350
1568	C000840797	THE LOOSE CRUISE		E. MARSH DOLPHAT	\$271,182	0	10/25/2006	10	\$107,976	\$2,750
1569	C00232835	UNITED ASSOC OF JOURNEYMEN & APPRENTICES/PLUMBING & PIPE FITTING INDUSTRY LOCAL UNION 335		RICHARD G. FRANTZ	\$156,709	0	10/25/2006	10	\$63,562	\$1,200

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation - 2006)
(Election Sensitive) October Quarterly)
Report For The Administrative Fines)
Program.:)
MOUNTJOY FOR US SENATE, and) AF# 1562
PEGGY A MEW as treasurer;)
COMMITTEE TO ELECT JAKE FORD) AF# 1558
FOR CONGRESS; THE, and SIR ISAAC)
FORD as treasurer;)
AL GREEN FOR CONGRESS, and) AF# 1556
WILLIAM A LAWSON as treasurer;)

AMERICANS AGAINST ILLEGAL) AF# 1557
IMMIGRATION PAC, and LEUTHOLD,)
JOHN W MR as treasurer;)
IA VETS FOR CONGRESS, and MALEA) AF# 1560
STENZEL as treasurer;)
SAN ANTONIO POLICE OFFICERS) AF# 1566
ASSOCIATION POLITICAL ACTION)
COMMITTEE, and ROBERT GRAJEDA)
as treasurer;)
AGRI-MARK, INC LEGISLATIVE AND) AF# 1555
EDUCATIONAL COMMITTEE (ALEC),)
and HAROLD LARRABEE as treasurer;)
NATIONAL ASSOCIATION FOR HOME) AF# 1564
CARE POLITICAL ACTION)
COMMITTEE, and MICHAEL N)
WOODS as treasurer;)
PLUMBERS LOCAL 519 POLITICAL) AF# 1565
ACTION COMMITTEE, and PHIL)
TRUCKS JR as treasurer;)
TERRIPAC, and BRIAN SCHIAVO as) AF# 1567
treasurer;)

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THE LOOSE GROUP, and Douthat, E. AF# 1568
Marsh as treasurer;
UNITED ASSOC OF JOURNEYMEN &) AF# 1569
APPRENTICES/PLUMBING & PIPE)
FITTING INDUSTRY LOCAL UNION)
335, and RICHARD G FRANTZ as)
treasurer;)
COUNCIL OF SCHOOL SUPERVISORS) AF# 1559
AND ADMINISTRATORS LOCAL 1)
AFSA AFL-CIO, and GOMEZ- PALACIO,)
ANITA as treasurer;)

CERTIFICATION

I, Mary W. Dove, Secretary of the Federal Election Commission, do hereby
certify that on February 06, 2007 the Commission took the following actions on the
Reason To Believe Recommendation - 2006 (Election Sensitive) October Quarterly
Report For The Administrative Fines Program. as recommended in the Reports Analysis
Division's Memorandum dated February 01, 2007, on the following committees:

AF#1562 Decided by a vote of 5-0 to: (1) find reason to believe that MOUNTJOY
FOR US SENATE, and PEGGY A MEW as treasurer violated 2 U.S.C. 434(a) and make
a preliminary determination that the civil money penalty would be the amount indicated
on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner,
von Spakovsky, and Walther voted affirmatively for the decision. Commissioner
Weintraub did not vote.

AF#1558 Decided by a vote of 5-0 to: (1) find reason to believe that COMMITTEE
TO ELECT JAKE FORD FOR CONGRESS; THE, and SIR ISAAC FORD as treasurer
violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money
penalty would be the amount indicated on the report; (2) send the appropriate mailgram.
Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively
for the decision. Commissioner Weintraub did not vote.

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AF#1556 Decided by a vote of 5-0 to: (1) find reason to believe that AL GREEN FOR CONGRESS, and WILLIAM A LAWSON as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1557 Decided by a vote of 5-0 to: (1) find reason to believe that AMERICANS AGAINST ILLEGAL IMMIGRATION PAC, and LEUTHOLD, JOHN W MR as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1560 Decided by a vote of 5-0 to: (1) find reason to believe that IA VETS FOR CONGRESS, and MALEA STENZEL as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1566 Decided by a vote of 5-0 to: (1) find reason to believe that SAN ANTONIO POLICE OFFICERS ASSOCIATION POLITICAL ACTION COMMITTEE, and ROBERT GRAJEDA as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1555 Decided by a vote of 5-0 to: (1) find reason to believe that AGRI-MARK, INC LEGISLATIVE AND EDUCATIONAL COMMITTEE (ALEC), and HAROLD LARRABEE as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1564 Decided by a vote of 5-0 to: (1) find reason to believe that NATIONAL ASSOCIATION FOR HOME CARE POLITICAL ACTION COMMITTEE, and

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MICHAELE N WOODS as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1565 Decided by a vote of 5-0 to: (1) find reason to believe that PLUMBERS LOCAL 519 POLITICAL ACTION COMMITTEE, and PHIL TRUCKS JR as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1567 Decided by a vote of 5-0 to: (1) find reason to believe that TERRIPAC, and BRIAN SCHIAVO as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1568 Decided by a vote of 5-0 to: (1) find reason to believe that THE LOOSE GROUP, and Douthat, E. Marsh as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1569 Decided by a vote of 5-0 to: (1) find reason to believe that UNITED ASSOC OF JOURNEYMEN & APPRENTICES/PLUMBING & PIPE FITTING INDUSTRY LOCAL UNION 335, and RICHARD G FRANTZ as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

AF#1559 Decided by a vote of 5-0 to: (1) find reason to believe that COUNCIL OF SCHOOL SUPERVISORS AND ADMINISTRATORS LOCAL 1 AFSA AFL-CIO, and GOMEZ- PALACIO, ANITA as treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate mailgram. Commissioners Lenhard, Mason, Toner, von Spakovsky, and Walther voted affirmatively for the decision. Commissioner Weintraub did not vote.

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Attest:

February 7, 2007
Date

Mary W. Dove
Mary W. Dove
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 8, 2007

E. Marsh Douthat
The Loose Group
3379 Peachtree Road N.E., Suite 270
Atlanta, GA 30326

C00010793
AF#: 1568

Dear E. Marsh Douthat:

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires that your committee file an October Quarterly Report of Receipts and Disbursements in a calendar year during which there is a regularly scheduled election. This report, covering the period through September 30th, shall be filed no later than October 15th. 2 U.S.C. 434(a). You were previously notified of the due date for this report. Records at the Federal Election Commission ("FEC") indicate that this report was filed on 10/25/2006, 10 days late.

The Act was further amended in 1999 to permit the FEC to impose civil money penalties for violations of the reporting requirements of 2 U.S.C. 434(a). 2 U.S.C. 437g(a)(4). On 2/6/2007, the FEC found that there is reason to believe ("RTB") that The Loose Group and you, as treasurer, violated 2 U.S.C. 434(a) by failing to file timely this report on or before October 15th. Based on the FEC's schedules of civil money penalties at 11 C.F.R. 111.43, the amount of your civil money penalty calculated at the RTB stage is \$2,150. It is due by 3/18/2007 and is based on these factors:

Election Sensitivity of Report: Election Sensitive
Level of Activity: \$ 107,976
Number of Days Late: 10
Number of Previous Civil Money Penalties Assessed: 0

To Pay the Calculated Civil Money Penalty

To pay the calculated civil money penalty, send the enclosed remittance and your payment to the FEC at the address on page 3. Upon receipt of your payment, the FEC will send you a final determination letter.

To Challenge the RTB Finding and/or Calculated Civil Money Penalty

To challenge the RTB finding and/or calculated civil money penalty, you must submit a written response, including the AF# found on page one, to the FEC's Office of Administrative Review, 999 E Street, NW, Washington, DC 20463. Your response must be received by 3/18/2007. Your written response must include the reason(s) why you are challenging the RTB finding and/or calculated civil money penalty. The FEC will only consider challenges that are based on a factual error, miscalculation of the calculated civil money penalty by the FEC, or the

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existence of extraordinary circumstances that persisted for more than 48 hours that were beyond your control and prevented you from filing the report in a timely manner. Your response must include the factual basis supporting the reason(s) and supporting documentation. The FEC strongly encourages that documents be submitted in the form of affidavits or declarations. Examples of circumstances that will not be considered extraordinary include, but are not limited to, negligence, problems with vendors or contractors, staff illness, computer failures and similar circumstances. 11 C.F.R. 111.35(b)(1)(iii) and (4).

Your failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver of your right to present such argument in a petition to the district court under 2 U.S.C. 437g. 11 C.F.R. 111.38.

If you intend to be represented by counsel, please advise the Office of Administrative Review. You should provide, in writing, the name, address and telephone number of your counsel and authorize counsel to receive notifications and communications relating to this challenge and imposition of the calculated civil money penalty.

If You Do Not Pay the Calculated Civil Money Penalty or Submit a Challenge

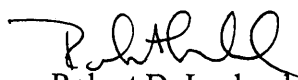
If you do not pay the calculated civil money penalty or submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that The Loose Group and you, as treasurer, violated 2 U.S.C. 434(a) and assess a civil money penalty.

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. 3701 et seq. The FEC may take any and all appropriate action authorized and required by the DCA, as amended, including transfer to the U.S. Department of the Treasury for collection. 11 C.F.R. 111.45.

This matter was generated based on information ascertained by the FEC in the normal course of carrying out its supervisory responsibilities. 2 U.S.C. 437g(a)(2). It will remain confidential in accordance with 2 U.S.C. 437g(a)(4)(B) and 437g(a)(12)(A) until it is placed on the public record in accordance with 11 C.F.R. 111.42, unless you notify the FEC in writing that you wish the matter to be made public.

Additional information on the FEC's administrative fine program, including the final regulations, is located at the FEC's website at www.FEC.gov. If you have questions regarding the payment of the calculated civil money penalty, please contact Rhiannon Ryan in the Reports Analysis Division at our toll free number (800) 424-9530 (at the prompt press 5) or (202) 694-1130. If you have questions regarding the submission of a challenge, please contact the Office of Administrative Review at our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

Sincerely,


Robert D. Lenhard
Chairman

ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 C.F.R. 111.43, the amount of your civil money penalty calculated at RTB is \$2,150 for the 2006 October Quarterly Report.

Please mail this remittance with a check or money order made payable to the Federal Election Commission to the following address:

Federal Election Commission
P.O. Box 979058
St. Louis, MO 63197-9000

If you choose to send your remittance and payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The remittance and your payment are due by 3/18/2007. Upon receipt of your remittance and payment, the FEC will send you a final determination letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTS). Your account will be electronically debited for the amount on your check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: The Loose Group

FEC ID#: C00010793

AF#: 1568

PAYMENT DUE DATE: 3/18/2007

PAYMENT AMOUNT DUE: \$ 2,150

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RECEIVED
FEDERAL ELECTION COMMISSION
THE LOOSE GROUP

A Political Action Committee. Since 1964 PM 1: 20

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FEB
ADJUTANT

12 March 07

Federal Election Commission
Office of Administrative Review
999 E. Street, NW
Washington, DC 20463

C00010793
AF# 1568

RE: Challenge to proposed penalty

Commission:

Your letter of 8 Feb 07 proposes a fine of \$ 2 150 based upon the late filing of the report on 25 Oct 06.

We challenge this proposed action on these grounds:

1. The Loose Group is a small, informal group of individuals. As such, it does not maintain an office, or staff, or any regular means of communication other than the USPO.
2. The only elected officers are the Chairman and Treasurer. There are no other individuals serving in any backup roles.
3. The Treasurer during most of the 3rd quarter 2006, E.M. Douthat, was diagnosed with _____ during the quarter. This can be hardly described as a "staff" illness, since The Loose Group has no staff.
4. I was appointed Treasurer near the end of the 3rd quarter and was in a learning process during this time. Mr. Douthat was in no position to provide me with training or guidance.
5. This is a very unusual, extenuating and personally tragic circumstance and worthy of a regulatory exception. Please note that all FEC filings since then have been complete and on time.

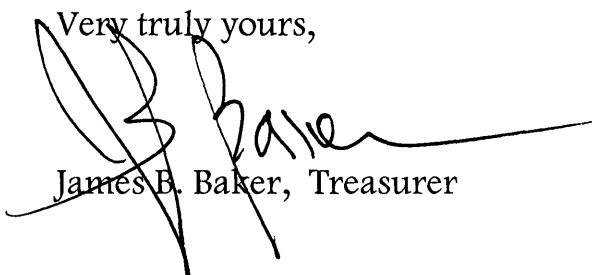
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Further, we challenge the size of the fine on these grounds:

1. The size of the fine is equal to 2% of the total contributions reported. This seems very excessive and punitive for a civil fine.
2. For an alleged first occurrence, one would think the fine would be designed to encourage timely compliance with a "warning" fine of a modest amount
3. Again, please note that all FEC filings since then have been complete and on time.

The Loose Group members and I, as the Treasurer, would appreciate your serious reconsideration and reversal of your proposed penalty.

Very truly yours,


James B. Baker, Treasurer

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Via First Class Mail

March 20, 2007

E. Marsh Douthat, as Treasurer
The Loose Group
3379 Peachtree Road NE
Atlanta, Georgia 30326

C00010793
AF# 1568

Dear Mr. Douthat:

On March 19, 2007, the Commission received your written response ("challenge"). The challenge is being reviewed by the Office of Administrative Review. Please contact this Office on our toll free number (800)424-9530 (press 0, then ext. 1660) or (202)694-1660 if you have any questions regarding the challenge.

Sincerely,

Shawn Woodhead Werth
Reviewing Officer
Office of Administrative Review

27092612952

Date: March 26, 2007

**REFERRAL TO OFFICE OF ADMINISTRATIVE REVIEW
CHALLENGE RECEIVED**

AF#: 1568

Committee Name: The Loose Group

Committee ID#: C00010793

Committee Address (if different than in RTB letter): N/A

Treasurer Name (if different than in RTB finding): N/A

Attachments:

**Copy of RTB Circulation Report, dated February 1, 2007 and RTB
Certification, dated February 6, 2007: Previously Forwarded**

Attachment #: N/A

Certified Return Receipt (to be forwarded at later date if not yet received)(Y/N):N

Attachment #: N/A

Original Correspondence Received by RAD in Response to RTB Letter (Y/N): N

Attachment #: N/A

RAD Staff Declaration (Y/N): Y

-2006 October Quarterly Report Prior Notice, dated September 21, 2006.

-RTB Letter, dated February 8, 2007.

Attachment #: 2

Other RAD Information: (Y/N): Y Fax Transmittal, Returned RTB Envelope

Attachment #: 3

27092612953

DECLARATION OF PATRICIA CARMONA

1. I am the Chief of the Compliance Branch for the Reports Analysis Division of the Federal Election Commission ("Commission"). In my capacity as Chief of the Compliance Branch, I oversee the initial processing of the Administrative Fine Program. I make this declaration based on my personal knowledge and, if called upon as a witness, could and would testify competently to the following matters.
2. I hereby certify that documents identified herein are true and accurate copies of the following sent by the Commission to The Loose Group:
 - A) Prior Notice, dated September 21, 2006 , referencing the 2006 October Quarterly Report;
 - B) Reason-to-Believe Letter, dated February 8, 2007.
3. I hereby certify that I have searched the Commission's public records and find that The Loose Group filed the 2006 October Quarterly Report with the Commission on October 25, 2006.
4. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct and that all relevant telecoms for the matter have been provided. This declaration was executed at Washington, D.C. on the 26th day of March, 2007.



Patricia Carmona
Chief, Compliance Branch
Reports Analysis Division
Federal Election Commission

QUARTERLY REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS

September 21, 2006

REPORTING DATES

REPORT	REPORTING PERIOD¹	REG./CERT. & OVERNIGHT MAILING DATE	FILING DATE
October Quarterly	07/01/06 - 09/30/06	10/15/06	10/15/06 ²

WHO MUST FILE

All Party Committees and PACs (Nonconnected Committees and Separate Segregated Funds) filing on a quarterly basis must file an October Quarterly Report by October 15, 2006. Committees must continue to file reports until the Commission notifies them in writing that their termination report has been accepted.

Certain party committees are required to file monthly reports (quarterly reporting is no longer an option for these committees). For more information, see the January 2006 Record, which can be found on the FEC web site at www.fec.gov/pages/record.shtml.

METHOD OF FILING

Quarterly Reports sent by registered or certified mail must be postmarked by the mailing date (please note that a certificate of mailing is not an acceptable method). Committees should keep the mailing receipt with its postmark as proof of filing.

If using overnight mail, the delivery service must receive the report by the mailing date. "Overnight mail" includes Priority or Express Mail having a delivery confirmation, or an overnight delivery service with an on-line tracking system and scheduled for next business day delivery. Quarterly Reports filed by any other means must be received by the Commission (or Secretary of the Senate for committees supporting only Senate candidates) by the filing date.

PRE-ELECTION REPORTING

Committees that make contributions or expenditures (including independent expenditures) in connection with an election must also file a Pre-Election Report, if the activity was not previously reported. For the pre-election reporting guidelines, see the January 2006 Record, which can be found on the FEC web site at www.fec.gov/pages/record.shtml.

¹These dates indicate the beginning and the end of the reporting period. A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered.

²Notice that the filing date falls on a weekend. Filing deadlines are not extended when they fall on nonworking days.

(over)

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QUARTERLY FILING SCHEDULE FOR REMAINDER OF 2006

REPORT	REPORTING PERIOD ¹	REG./CERT. & OVERNIGHT MAILING DATE	FILING DATE
Pre-General ³	10/01/06 - 10/18/06	10/23/06	10/26/06
Post-General	10/19/06 - 11/27/06	12/07/06	12/07/06
Year-End	11/28/06 - 12/31/06	01/31/07	01/31/07

48- AND 24-HOUR REPORTS OF INDEPENDENT EXPENDITURES

Any PAC or Party Committee that makes independent expenditures in connection with a federal election may also have to file 48-hour or 24-hour reports. The 48-hour reporting requirement will be triggered each time the committee makes independent expenditures aggregating \$10,000 or more between January 1st and the 20th day before the election. The 24-hour reporting requirement will be triggered each time the committee makes independent expenditures in connection with a federal election aggregating \$1,000 or more after the 20th day, but more than 24 hours, before the day of the election. See 11 CFR 104.4.

These reports are *not* required when a Party Committee or PAC makes a contribution directly to a candidate. Visit our website, www.fec.gov/info/charts_ie_dates.shtml, for a state-by-state chart of 48- and 24-hour reporting periods.

COMPLIANCE

- Treasurers of political committees are responsible for both the timeliness and the accuracy of all reports. They may be subject to monetary penalties if reports are inaccurate or are not filed on time.
- Under the Administrative Fine Program, political committees and their treasurers who fail to file their reports on time may be subject to civil money penalties up to \$16,000 (or more for repeat late- and non-filers). For additional information, see the enclosed handout entitled, "Administrative Fine Program" and visit the FEC web site at www.fec.gov/af.shtml.
- In addition, political committees that file illegible reports or use non-FEC forms (except for FEC-approved, computer-generated forms) will be required to refile their reports.
- Electronic filers who instead file on paper or submit an electronic report (either by direct transmission or on 3.5" diskette) that does not pass the validation test will be considered non-filers and may be subject to enforcement actions (including administrative fines).

ELECTRONIC FILING

Political committees that receive contributions or make expenditures in excess of \$50,000 in a calendar year, or that have reason to expect to do so, must submit their reports electronically. For additional information, review the enclosed handout entitled "Electronic Filing," call the FEC's Electronic Filing office at (800) 424-9530 or (202) 694-1642, and visit our web site at www.fec.gov/elecfil/electron.shtml.

CHANGE IN FILING FREQUENCY

Committees able to change their reporting schedule (for example, from quarterly to monthly) who wish to do so must notify the Commission in writing when they file their next report due under their current reporting schedule. Electronic filers must file this request electronically. Committees may change their filing frequency no more than once per calendar year.

¹See footnote #1, on reverse side.

³Required only if committee makes contributions or expenditures in connection with election during the reporting period.

MODE = MEMORY TRANSMISSION

START=MAR-02 10:13

END=MAR-02 10:15

FILE NO.=192

STN NO.	COMM.	ABBR NO.	STATION NAME/TEL NO.	PAGES	DURATION
001	OK	2	914048740047	004/004	00:01:12

-FEC REPORTS ANALYSIS -

***** - ***** - 2022193496- *****



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FAX TRANSMITTAL

Date: March 2, 2007

To: JB Baker

The Loose Group

Fax #: 404-874-0047

From: Rhiannon Ryan

FEC Fax #: (202) 219-3496

FEC Phone #: (800) 424-9530 or (202) 694-1130

Page Count: 4
(including cover sheet)

27092612957



RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2007 JUN 14 P 4:07
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

June 14, 2007

MEMORANDUM

TO: THE COMMISSION

THROUGH: PATRINA M. CLARK *pmc*
STAFF DIRECTOR

JOHN D. GIBSON *JDG*
ACTING CHIEF COMPLIANCE OFFICER

FROM: SHAWN WOODHEAD WERTH *SWW*
REVIEWING OFFICER
OFFICE OF ADMINISTRATIVE REVIEW

SUBJECT: AF# 1568 - THE LOOSE GROUP AND E. MARSH DOUTHAT,
AS TREASURER (C00010793)

The attached Reviewing Officer Recommendation is being circulated on an informational basis. A copy was also sent to respondents in accordance with 11 C.F.R. § 111.36(f). The respondents may file with the Commission Secretary a written response within 10 days of transmittal of the recommendation.

After the 10 day period, the Reviewing Officer Recommendation and the respondents' written response, if any, will be circulated to the Commission to make a final determination.

Attachment

27092612958



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 14, 2007

**REVIEWING OFFICER RECOMMENDATION
OFFICE OF ADMINISTRATIVE REVIEW ("OAR")**

AF# 1568 - The Loose Group and E. Marsh Douthat, as Treasurer (C00010793)

On February 6, 2007, the Commission found reason to believe ("RTB") that the respondents violated 2 U.S.C. § 434(a) for failing to timely file the 2006 October Quarterly Report, an election sensitive report, and made a preliminary determination that the civil money penalty was \$2,150 based on the schedule of penalties at 11 C.F.R. § 111.43. They were notified of the Commission's finding and RTB civil money penalty by the Reports Analysis Division ("RAD") on February 8, 2007. The letter was sent to their address of record, was returned, and a copy was sent via facsimile to James B. Baker on March 2, 2007.

Respondents' Response

On March 19, 2007, the Commission received the written response and supporting documentation ("challenge") from Mr. Baker, who signed as Treasurer on behalf of the respondents¹. He states that they are challenging the penalty because of "a very unusual, extenuating and personally tragic circumstance." Mr. Baker says that the Committee is small, with the Chairman and Treasurer as the only elected officers, does not have an office or staff, and that there is no "regular means of communication other than the USPO." He explains that Mr. Douthat was Treasurer during "most of the 3rd quarter 2006" but was diagnosed with a serious illness and not able to train him when he (Mr. Baker) became Treasurer "near the end of the 3rd Quarter." They are also challenging the size of the civil money penalty which Mr. Baker calculates to be 2% of total contributions reported. He believes the amount is "very excessive and punitive" and, for an "alleged first occurrence," he feels they should be given "a 'warning' fine of a modest amount." He further states that all subsequent reports have been filed on time.

Included with the challenge is copy of the RTB letter faxed to Mr. Baker by RAD. Handwritten notes on the facsimile cover page, which is dated March 14, 2007, say "Fax To: Franks" from "Jim B." Additional handwritten notes on the facsimile's third page say "write letter of treasurer change. Address change."

Analysis

The 2006 October Quarterly Report was filed on October 25, 2006, 10 days late.

The Federal Election Campaign Act ("Act") requires that quarterly reports be filed by the treasurer of a political action committee no later than the 15th day after the last day of each calendar quarter in a calendar year in which a regularly scheduled general election is held. 2 U.S.C. § 434(a)(4)(A)(i) and 11 C.F.R. § 104.5(c)(1)(i).). The treasurer shall be personally responsible for the timely filing of reports. 11 C.F.R. § 104.14(d).

While the Reviewing Officer is sympathetic to the problems Mr. Douthat experienced as a result of his illness and was therefore unable to train Mr. Baker to prepare and file the report

¹ As of this date, an amended Statement of Organization has not been filed designating Mr. Baker as Treasurer.

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since the Committee had no staff serving in "backup roles," the regulations clearly state that illness, inexperience, or unavailability of staff, including the treasurer, do not constitute extraordinary circumstances. 11 C.F.R. § 111.35(b)(4). Furthermore, RAD's March 13, 2007 telecom (written record of a telephone conversation) show that Mr. Baker told a RAD analyst that a law firm files the Committee's reports. Logs from the Electronic Filing Office ("EFO") also show that on October 16, 2006, the day after the report was due, the EFO notified them by email that they had failed to file the report. The FEC server mail log, which stores the email address provided by the filer, shows that the email was sent to rhighsmith@hklaw.com. This appears to be an email address at a law firm.

With respect to how the civil money penalty was calculated and their argument that a smaller fine be assessed for a first-time offense, two of the four criteria used to calculate the amount of the penalty are the level of activity (total receipts plus total disbursements, not the percentage of contributions received) and the number of previous violations (the number of fines assessed during the current and prior election cycles). 11 C.F.R. § 111.43(b)(2) and (d).

The Committee discloses total receipts of \$25,250 and total disbursements of \$82,726 resulting in a level of activity of \$107,976. While the respondents are correct that the civil money penalty in AF# 1568 does not include a previous violation factor as no other administrative fines were assessed in the current (2005-2006) and prior (2003-2004) election cycles, they were in fact assessed a civil money penalty in 2001 for an earlier administrative fine case. Thus, the civil money penalty was correctly calculated at the time of the RTB finding based, in part, on the Report's actual level of activity (\$107,976) and no other fines already assessed during the current and prior election cycles.

The other issues raised in the challenge (they are a small, informal organization with no office or regular means of communication, and all other reports were timely filed) also do not fall within the list of defenses as defined in 11 C.F.R. § 111.35(b). Their challenge presented no evidence that a factual error was made, that the civil money penalty was miscalculated at RTB or that extraordinary circumstances, as defined at 11 C.F.R. § 111.35, existed which prevented them from timely filing the report. The Reviewing Officer, therefore, recommends that the Commission make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$2,150.

OAR Recommendations

- (1) Make a final determination in AF# 1568 that The Loose Group and E. Marsh Douthat, as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$2,150; and
- (2) Send the appropriate letter.

Attachments

Attachment 1 – Challenge Received from Respondents

Attachment 2 –

Attachment 3 – Declaration from RAD

Attachment 4 – Declaration from OAR

MODE = MEMORY TRANSMISSION

START=MAR-02 10:13

END=MAR-02 10:15

FILE NO.=192

STN NO.	COMM.	ABBR NO.	STATION NAME/TEL NO.	PAGES	DURATION
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-FEC REPORTS ANALYSIS -

- *****

2022193496- *****



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FAX TRANSMITTAL

Date: March 2, 2007

To: JB Baker
The Loose Group

Fax #: 404-874-0047

From: Rhiannon Ryan

FEC Fax #: (202) 219-3496

FEC Phone #: (800) 424-9530 or (202) 694-1130

Page Count: 4
(including cover sheet)

27092612961

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Official Business

CERTIFIED MAIL™



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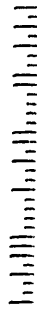
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02/26/07 closed

E. Marsh Douthett
The Loose Group
3379 Peachtree Road N.E., Suite 270
Atlanta, GA 30326

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RETURN TO SENDER
NOT DELIVERABLE AS ADDRESSED
UNABLE TO FORWARD

BC: 20463 *2231-08049-22-10

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DECLARATION OF SHAWN WOODHEAD WERTH

1. I am the Reviewing Officer in the Office of Administrative Review for the Federal Election Commission ("Commission"). In my capacity as Reviewing Officer, I supervise research conducted with respect to all challenges submitted in accordance with the Administrative Fine program.
2. The 2006 October Quarterly Report, covering the period from July 1 through September 30, 2006, is due October 15. If electronically filed, it must be received and validated by the Commission at or before 11:59 p.m., Eastern Standard/Daylight Time on October 15 to be timely filed.
3. I hereby certify that I have searched the Commission's public records and that the documents identified herein are true and accurate copies of Page 1 of the Summary Page and Pages 3 and 4 of the Detailed Summary Page for the 2006 October Quarterly Report filed electronically by The Loose Group and E. Marsh Douthat, as Treasurer. According to Commission records, the report covers the period from July 1 through September 30, 2006 and was received on October 25, 2006. On the "Signature of Treasurer" line, it states "Electronically Filed by James Baker." Line 19, Column A lists \$25,250.00 in total receipts for this period. Line 31, Column A lists \$82,726.70 in total disbursements for this period.
4. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Washington on the 14th of June, 2007.



Shawn Woodhead Werth
Reviewing Officer
Office of Administrative Review
Federal Election Commission

27092612963

FEC FORM 3X

REPORT OF RECEIPTS AND DISBURSEMENTS For Other Than An Authorized Committee

Office Use Only

1. NAME OF COMMITTEE (in full) **USE FEC MAILING LABEL OR TYPE OR PRINT** Example: If typing, type over the lines

THE LOOSE GROUP

ADDRESS (number and street)

3378 Peachtree Road NE

Suite 270

X

Check if different than previously reported. (ACC)

Atlanta

GA

30326

2. FEC IDENTIFICATION NUMBER CITY STATE ZIP CODE

C00010799

3. IS THIS REPORT ☒ NEW (N) OR AMENDED (A)

4. TYPE OF REPORT (Choose One)

(a) Quarterly Reports:

April 15
Quarterly Report (Q1)July 15
Quarterly Report (Q2)X October 15
Quarterly Report (Q3)
January 31
Quarterly Report (YE)July 31 Mid-Year
Report (Non-election
Year Only) (MY)Termination Report
(TER)(b) Monthly
Report
Due On:

Feb 20 (M2)

May 20 (M5)

Aug 20 (M8)

Nov 20 (M11)
(Non-Election
Year Only)

Mar 20 (M3)

Jun 20 (M6)

Sep 20 (M9)

Dec 20 (M12)
(Non-Election
Year Only)

Apr 20 (M4)

Jul 20 (M7)

Oct 20 (M10)

Jan 31 (YE)

(c) 12-Day
PRE-Election
Report for the:

Primary (12P)

General (12G)

Runoff (12R)

Convention (12C)

Special (12S)

Election on

in the
State of(d) 30-Day
Post-Election
Report for the:

General (30G)

Runoff (30R)

Special (30S)

Election on

in the
State of

5. Covering Period 07 01 2006 through 09 30 2006

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer James Baker

Signature of Treasurer Electronically Filed by James Baker Date 10 15 2006

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C 437g.

Office
Use
OnlyFEC FORM 3X
(Rev. 02/2003)

27092612964

DETAILED SUMMARY PAGE OF RECEIPTS

FEC Form 3X (Rev. 02/2003)

Page 3

Write or Type Committee Name

THE LOOSE GROUP

Report Covering the Period: From: 07th 01st 2006 To: 09th 30th 2006

I. Receipts	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
11. Contributions (other than loans) From:		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (use Schedule A)	25250.00	76325.00
(ii) Unitemized	0.00	0.00
(iii) TOTAL (add Lines 11(a)(i) and (ii))	25250.00	76325.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs)	0.00	0.00
(d) Total Contributions (add Lines 11(a)(iii), (b) and (c)) (Carry Totals to Line 33, page 5)	25250.00	76325.00
12. Transfers From Affiliated/Other Party Committees	0.00	0.00
13. All Loans Received	0.00	0.00
14. Loan Repayments Received	0.00	0.00
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.) (Carry Totals to Line 37, page 5)	0.00	0.00
16. Refunds of Contributions Made to Federal candidates and Other Political Committees	0.00	0.00
17. Other Federal Receipts (Dividends, Interest, etc.)	0.00	0.00
18. Transfers from Non-Federal and Levin Funds		
(a) Non-Federal Account (from Schedule H3)	0.00	0.00
(b) Levin Funds (from Schedule H5)	0.00	0.00
(c) Total Transfer (add 18(a) and 18(b))	0.00	0.00
19. Total Receipts (add Lines 11(d), 12, 13, 14, 15, 16, 17, and 18(c))	25250.00	76325.00
20. Total Federal Receipts (subtract Line 18(c) from Line 19)	25250.00	76325.00

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DETAILED SUMMARY PAGE
of Disbursements

FEC Form 3X (Rev. 02/2003)

Page 4

II. DISBURSEMENTS	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
21. Operating Expenditures:		
(a) Shared Federal/Non-Federal Activity (from Schedule H4)		
(i) Federal Share.....	0.00	0.00
(ii) Non-Federal Share.....	0.00	0.00
(b) Other Federal Operating Expenditures.....	1726.70	6967.14
(c) Total Operating Expenditures (add 21(a)(i), (a)(ii) and (b)).....	1726.70	6967.14
22. Transfers to Affiliated/Other Party Committees.....	0.00	0.00
23. Contributions to Federal Candidates/Committees and Other Political Committees.....	5000.00	25000.00
24. Independent Expenditure (use Schedule E).....	0.00	0.00
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F).....	0.00	0.00
26. Loan Repayments Made.....	0.00	0.00
27. Loans Made.....	0.00	0.00
28. Refunds of Contributions To:		
(a) Individuals/Persons Other Than Political Committees.....	0.00	0.00
(b) Political Party Committees.....	0.00	0.00
(c) Other Political Committees (such as PACs).....	0.00	0.00
(d) Total Contribution Refunds (add Lines 28(a), (b), and (c)).....	0.00	0.00
29. Other Disbursements.....	76000.00	96000.00
30. Federal Election Activity (2 U.S.C. 431(20))		
(a) Shared Federal Election Activity (from Schedule H8)		
(i) Federal Share.....	0.00	0.00
(ii) "Levin" Share.....	0.00	0.00
(b) Federal Election Activity Paid Entirely With Federal Funds.....	0.00	0.00
(c) Total Federal Election Activity (add Lines 30(a)(i), 30(a)(ii) and 30(b))....	0.00	0.00
31. Total Disbursements (add Lines 21(c), 22, 23, 24, 25, 26, 27, 28(d), 29 and 30(c))..	82726.70	127967.14
32. Total Federal Disbursements (subtract Line 21(a)(ii) from Line 30(a)(ii) from Line 31).....	82726.70	127967.14

27092612966



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA OVERNIGHT DELIVERY

June 18, 2007

E. Marsh Douthat, as Treasurer
The Loose Group
3379 Peachtree Road NW, Suite 210
Atlanta, Georgia 30326

C00010793
AF# 1568

Dear Mr. Douthat:

On February 6, 2007, the Federal Election Commission ("Commission") found reason to believe ("RTB") that The Loose Group and you, as Treasurer ("respondents"), violated 2 U.S.C. § 434(a) for failing to timely file the 2006 October Quarterly Report. The Commission also made a preliminary determination that the civil money penalty was \$2,150 based on the schedule of penalties at 11 C.F.R. § 111.43.

After reviewing the written response and any supplemental information submitted by you and Commission staff, the Reviewing Officer has recommended that the Commission make a final determination in this matter. A copy of the Reviewing Officer's recommendation is attached.

You may file with the Commission Secretary a written response to the recommendation within 10 days of the date of this letter. Your written response should be sent to the Commission Secretary, 999 E Street, NW, Washington, DC 20463. As a result of the anthrax threat in the Washington, DC area, US Postal Service mail delivery to federal agencies, including the Commission, has been interrupted. Until regular mail delivery resumes, you may also file your written response with the Commission Secretary via facsimile (202-208-3333) or by courier at the same address (if you use an overnight delivery service, please use zip code 20004 instead of zip code 20463). Please include the AF # in your response. Your response may not raise any arguments not raised in your original written response or not directly responsive to the Reviewing Officer's recommendation. 11 C.F.R. § 111.36(f). The Commission will then make a final determination in this matter.

Please contact me at the toll free number 800-424-9530 (press 0, then press 1660) or 202-694-1660 if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Shawn Woodhead Werth".

Shawn Woodhead Werth
Reviewing Officer
Office of Administrative Review

Attachment

27092612967



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2007 JUL 25 A 9:19

July 24, 2007

MEMORANDUM

SENSITIVE

To: The Commission

Through: Patrina M. Clark *gmc*
Staff Director *ame*

From: John D. Gibson *JDG*
Acting Chief Compliance Officer

Shawn Woodhead *SW*
Reviewing Officer
Office of Administrative Review

Subject: Final Determination Recommendation in AF# 1568 – The Loose Group
and E. Marsh Douthat, as Treasurer (C00010793)

On February 6, 2007, the Commission found reason to believe that the respondents violated 2 U.S.C. § 434(a) for failing to timely file the 2006 October Quarterly Report, an election sensitive report, and made a preliminary determination that the civil money penalty was \$2,150 based on the schedule of penalties at 11 C.F.R. § 111.43.

On March 19, 2007, the Commission received the written response (“challenge”) from James B. Baker. After reviewing the challenge, the Reviewing Officer’s recommendation dated June 14, 2007 was forwarded to the Commission. A copy was simultaneously forwarded to the respondents at their address of record. The Reviewing Officer recommended that the Commission make a final determination that they violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$2,150 because they submitted no evidence that a factual error was made, that the civil money penalty was miscalculated at RTB or that extraordinary circumstances existed which prevented them from filing the report on time.

Instead of filing a written response with the Commission Secretary within 10 days of transmittal of the recommendation in accordance with 11 C.F.R. § 111.36(f), the respondents paid the civil money penalty.

OAR Recommendations

- (1) Make a final determination in AF# 1568 that The Loose Group and E. Marsh Douthat, as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$2,150; and
- (2) Send the appropriate letter.



FEDERAL ELECTION COMMISSION
Washington, DC 20463

SENSITIVE

DATE & TIME OF TRANSMITTAL: Wednesday, July 25, 2007 11:00

BALLOT DEADLINE: Monday, July 30, 2007 4:00

COMMISSIONER: LENHARD, MASON, von SPAKOVSKY, WALTHER, WEINTRAUB

SUBJECT: **Final Determination Recommendation in
AF 1568 – The Loose Group and E. Marsh
Douthat, as Treasurer (C00010793)
Memorandum from the Acting Chief
Compliance Officer and the Reviewing
Officer dated July 24, 2007**

- () I approve the recommendation(s)
() I object to the recommendation(s)
() I am recused from voting
() No vote by ballot

COMMENTS: _____

DATE: _____

SIGNATURE: _____

A definite vote is required. All ballots must be signed and dated. Please return **ONLY THE BALLOT** to the Commission Secretary. Please return ballot no later than date and time shown above.

FROM THE OFFICE OF THE SECRETARY OF THE COMMISSION

27092612969

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Final Determination Recommendation:) AF 1568
The Loose Group and E. Marsh Douthat,)
as Treasurer.)

CERTIFICATION

I, Mary W. Dove, Secretary of the Federal Election Commission, do hereby
certify that on July 30, 2007, the Commission decided by a vote of 4-1 to take the
following actions in AF 1568:

1. Make a final determination in AF 1568 that the Loose Group and E. Marsh Douthat, as Treasurer violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$2,150.
2. Send the appropriate letter, as recommended in the Reviewing Officer's Memorandum dated July 24, 2007.

Commissioners Lenhard, Mason, von Spakovsky, and Walther voted
affirmatively for the decision. Commissioner Weintraub dissented.

Attest:

July 30, 2007
Date

Mary W. Dove
Mary W. Dove
Secretary of the Commission

27092612970



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 2, 2007

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

E. Marsh Douthat, as Treasurer
The Loose Group
PO Box 78093
Atlanta, Georgia 30357

ID# C00010793
AF# 1568

Dear Mr. Douthat:

On February 6, 2007, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that The Loose Group and you, as Treasurer, violated 2 U.S.C. § 434(a) for failing to timely file the 2006 October Quarterly Report. By letter dated February 8, 2007, the Commission sent you notification of the RTB finding that included a civil money penalty calculated at RTB of \$2,150 in accordance with the schedule of penalties at 11 C.F.R. § 111.43. On March 19, 2007, the Office of Administrative Review received the written response and supporting documentation from James B. Baker challenging the civil money penalty calculated at RTB.

The Reviewing Officer reviewed the Commission's RTB finding with its supporting documentation and the written response. Based on this review, the Reviewing Officer recommended that the Commission make a final determination that The Loose Group and you, as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty in the amount of \$2,150 in accordance with 11 C.F.R. § 111.43. The basis for the Reviewing Officer's recommendation was included in the Final Determination Report, a copy of which was sent to you on June 18, 2007.

The \$2,150 payment for the civil money penalty was received at the Commission's lockbox on July 20, 2007.

On July 30, 2007, the Commission adopted the Reviewing Officer's recommendation and made a final determination that The Loose Group and you, as Treasurer, violated 2 U.S.C. § 434(a) and assessed a civil money penalty of \$2,150. It is based on the same factors used to calculate the civil money penalty at RTB.

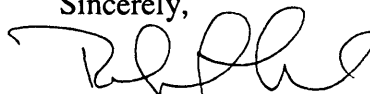
The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this

27092612971

matter is now public. The file will be made a part of the public record pursuant to 11 C.F.R. § 111.42(b). Although the file must be placed on the public record within 30 days from the date of the Commission's notification, this could occur at any time following certification of the Commission's vote.

If you have any questions regarding the payment of the civil money penalty, please contact Shawn Woodhead Werth on our toll free number (800)424-9530 (press 0, then ext. 1660) or (202)694-1660.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. D. Lenhard', written in a cursive style.

Robert D. Lenhard
Chairman

cc: James Baker, as Treasurer

27092612972

QUALITY IS OUR PRIORITY FOR LOCKBOX 9058
SEQ# 001 \$ 0000215000 BA# 1 07-20-07 20 4



27092612973



THE LOOSE GROUP		BANK OF AMERICA, NA ATLANTA, GA 30328 64-57610	2115
			7/15/2007
PAY TO THE ORDER OF	Federal Election Commission	\$ 2,150.00	
Two Thousand One Hundred Fifty and 00/100		DOLLARS	
FEC PO Box 979058 St. Louis, MO 63197-9000			
MEMO 2006 Oct. Quarterly Report penalty			



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 1568

DATE SCANNED 10-16-07

SCANNER NO. 2

SCAN OPERATOR Im #

27092612974