



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 2718

DATE SCANNED

11/26/13

SCANNER NO.

2

SCAN OPERATOR

EEJ

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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2013 APR -2 AM 8:56

April 1, 2013

MEMORANDUM

SENSITIVE

TO: The Commission

THROUGH: *[Signature]* Alec Palmer *[Signature]*
Staff Director

FROM: Patricia C. Orrock *[Signature]*
Chief Compliance Officer

Debbie Chacona *[Signature]*
Assistant Staff Director
Reports Analysis Division

BY: *[Signature]* Jodi Winship/Sari Pickerall *[Signature]*
Compliance Branch

SUBJECT: Reason To Believe Recommendation – 2012 Year-End Report for the
Administrative Fine Program

Attached is a list of political committees and their treasurers who failed to file the 2012 Year-End Report in accordance with 2 U.S.C. 434(a). The Year-End Report was due on January 31, 2012.

The committees listed in the attached RTB Circulation Report either failed to file the report, no more than thirty (30) days after the due date (considered a late filed report), or filed the report more than thirty (30) days after the due date (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 highlighted on the attached circulation report.

For your information, letters of resignation were filed by the treasurers for Friends of Julian Schreibman (AF 2706) and Kenneth Sanders for Congress Committee (AF 2718). The RTB finding will be against the "Office of Treasurer" as the committees have not yet filed Amended Statements of Organization to appoint new treasurers.

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Recommendation

1. Find reason to believe that the political committees and their treasurers listed on the 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 letters.

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Federal Election Commission
Reason to Believe Circulation Report
2012 YEAR-END Not Election Sensitive 01/31/2013 H_S_P_UNAUTH

AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	PV	Receipt Date	Days Late	LOA	RTB Penalty
2689	C00424788	AMBULATORY SURGERY CENTER ASSOCIATION PAC (ASCAPAC)		BRENDAN DAVIS	\$389,962	0	2/12/2013	12	\$5,159	\$115
2690	C00436360	AMEDISYS INC POLITICAL ACTION COMMITTEE		DALE E. REDMAN	\$329,779	0	2/7/2013	7	\$29,511	\$340
2691	C00102764	AMERICAN CHIROPRACTIC ASSOCIATION PAC		DR. MICHAEL SIMONE	\$628,252	0	2/21/2013	21	\$13,193	\$215
2692	C00511980	ANDREI FOR ARIZONA	CHERNY, ANDREI	SETH SCOTT	\$2,247,802	0		Not Filed	\$561,951 (est)	\$11,000
2693	C00499491	ANDREW HUGHES FOR CONGRESS	HUGHES, ANDREW IFITS	JEFF UPTHEGROVE	\$505,503	1	2/19/2013	19	\$13,888	\$256
2694	C00507442	BARBARA CARLSON FOR US CONGRESS COMMITTEE	CARLSON, BARBARA J	SHERI EDWARDS	\$239,627	0		Not Filed	\$47,925 (est)	\$990
2695	C00504068	BARNES FOR CONGRESS	BARNES, BRIAN PATRICK	LISA MILLER	\$798,374	0	3/11/2013	Not Filed	\$11,256	\$550
2696	C00503177	BETTE GRANDE FOR CONGRESS	GRANDE, BETTE B	ALEC H. GRANDE	\$120,672	0		Not Filed	\$10,090	\$550
2697	C00501411	BRAD BOOKOUT FOR CONGRESS	BOOKOUT, BRADLEY T	LISA BOOKOUT	\$146,766	0		Not Filed	\$20,967 (est)	\$550

2699	C00513788	BRAD MORRIS FOR CONGRESS	MORRIS, BRAD	ROBERT T. "BOB" GRAY	\$410,768	0		Not Filed	\$68,461 (est)	\$2,970
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2701	C00523431	CASSIS FOR CONGRESS	CASSIS, NANCY	SEAN SANT	\$801,282	0		Not Filed	\$200,321 (est)	\$7,150
2702	C00523167	COMMITTEE TO ELECT RICK MURPHY FOR CONGRESS	MURPHY, RICK	RICK MURPHY	\$171,886	0		Not Filed	\$57,295 (est)	\$2,970
2703	C00510495	DAVID SCHAPIRA FOR CONGRESS	SCHAPIRA, DAVID	LAUREN KUBY	\$562,177	0		Not Filed	\$140,544 (est)	\$4,950
2704	C00468009	EDWARDS WILDMAN PAC INC		KEITH KOTLER	\$426,175	0	2/22/2013	22	\$13,092	\$220
2705	C00500058	FRIENDS OF DAVID FOR CONGRESS	THAYNE, DAVID CRUZ	DAVID CRUZ THAYNE	\$171,317	0		Not Filed	\$28,553 (est)	\$990
2706	C00513739	FRIENDS OF JULIAN SCHREIBMAN	SCHREIBMAN, JULIAN D	OFFICE OF TREASURER	\$2,685,467	0		Not Filed	\$447,578 (est)	\$9,900
2707	C00473710	FRIENDS OF LIBERTY FOR JESSICA	PUENTE BRADSHAW, JESSICA	GARY E. DOAN	\$181,853	0	3/12/2013	Not Filed	\$1,415	\$250

2709	C00350421	FRIENDS OF TIM JOHNSON	JOHNSON, TIMOTHY V	MARK SHELLEN	\$1,278,389	0	2/12/2013	12	\$12,564	\$170
2710	C00505685	GARY SMITH FOR CONGRESS	SMITH, GARY	GARY SMITH	\$505,283	1		Not Filed	\$168,428 (est)	\$7,562
2711	C00495259	IMMIGRATION911, LLC		STANLEY P. DULL	\$520,898	1	2/13/2013	13	\$15,308	\$218
2712	C00498311	IMUS FOR CONGRESS	IMUS, GREGG	CHAD HANEY	\$228,972	0		Not Filed	\$28,622 (est)	\$990

AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	PV	Receipt Date	Days Late	LOA	RTB Penalty
2713	C00495549	JACKSON FOR VIRGINIA	JACKSON, EARL W SR	THEODORA J. JACKSON	\$277,821	1	3/5/2013	Not Filed	\$1,136	\$312
2714	C00305920	JESSE JACKSON JR FOR CONGRESS	JACKSON, JESSE JR	VICKIE PASLEY	\$2,066,749	0		Not Filed	\$206,675 (est)	\$7,150
2715	C00478818	JIM HORN ELECTION COMMITTEE	HORN, JIM	OLIVIA JULIA HORN	\$182,905	3		Not Filed	\$36,581 (est)	\$1,732
2716	C00497644	JIMMIE MOORE FOR CONGRESS	MOORE, JIMMIE SEE	GAIL A. CHINN-PRATT	\$342,740	1		Not Filed	\$57,123 (est)	\$3,712

2718	C00514489	KENNETH SANDERS FOR CONGRESS COMMITTEE	SANDERS, KENNETH	OFFICE OF TREASURER	\$280,570	1		Not Filed	\$40,081 (est)	\$1,237
2719	C00512368	KRISTIN JACOBS FOR CONGRESS	JACOBS, KRISTIN	JACOB C. RICHTER	\$978,873	0	2/19/2013	19	\$901	\$120
2720	C00505529	LAMAR STERNAD FOR CONGRESS	STERNAD, JUSTIN LAMAR	JUSTIN LAMAR STERNAD	\$128,591	1		Not Filed	\$32,148 (est)	\$1,237
2721	C00517110	LEAH FOR CONGRESS	SCHANDLBAUER, LEAH CAMPOS	JACOB BROWN	\$143,979	1		Not Filed	\$35,995 (est)	\$1,237
2722	C00384529	LISA MURKOWSKI FOR US SENATE	MURKOWSKI, LISA	JOSEPH M. SCHIERHORN	\$1,343,737	0	2/15/2013	15	\$139,109	\$2,535
2723	C00517078	LONG WILLIAM TODD	LONG, WILLIAM TODD	TODD LONG	\$295,925	0		Not Filed	\$49,321 (est)	\$990
2724	C00497099	MARAGOS4NY	MARAGOS, GEORGE	KHALEDA MALIQUE	\$4,039,502	0		Not Filed	\$577,072 (est)	\$11,000
2725	C00432948	MCGOFF FOR CONGRESS	MCGOFF, JOHN P	MARJORIE O'LAUGHLIN	\$808,351	0		Not Filed	\$101,044 (est)	\$4,950
2726	C00510982	MELENDEZ FOR CONGRESS	MELENDEZ, JULIUS	BERNIE MAPILI	\$197,616	0		Not Filed	\$49,404 (est)	\$990
2727	C00457960	MICHAEL WILLIAMS FOR CONGRESS	WILLIAMS, MICHAEL L	R. STEVEN HICKS	\$1,615,965	0		Not Filed	\$201,996 (est)	\$7,150
2728	C00494187	MODICA FOR SENATE	MODICA, JULIEN	JULIEN MODICA	\$673,796	3		Not Filed	\$224,599 (est)	\$12,512
2729	C00413567	NATIONAL ASSOCIATION OF FARM SERVICE AGENCY COUNTY OFFICE EMPLOYEES INC PPC AKA NASCOE PAC		ROBERT L. REDDING, JR.	\$200,302	1	2/11/2013	11	\$7,906	\$137
2730	C00506568	PELOQUIN FOR CONGRESS	PELOQUIN, DONALD	KYLE KACZANOWSKI	\$201,448	0		Not Filed	\$28,778 (est)	\$990
2731	C00523993	REDFIELD FOR CONGRESS	REDFIELD, HOLLAND II	JAMES OLIVER	\$107,866	0		Not Filed	\$17,978 (est)	\$550
2733	C00507202	ROBERTS FOR CONGRESS	ROBERTS, MARVIN KIRBY	JUSTIN ROBERTS	\$183,304	0		Not Filed	\$36,661 (est)	\$990
2734	C00504498	ROSE MEZA HARRISON FOR CONGRESS	HARRISON, ROSE MEZA	GEORGE CLOWER	\$719,855	0	3/14/2013	Not Filed	\$2,411	\$250
2735	C00494690	STEVE COLLETT FOR CONGRESS	COLLETT, STEPHEN (STEVE)	STEVE COLLETT	\$402,067	0		Not Filed	\$50,258 (est)	\$2,970
2736	C00343475	TODD AKIN FOR SENATE	AKIN, W TODD	G. SCOTT ENGELBRECHT	\$11,842,136	0	2/7/2013	7	\$121,140	\$1,535
2737	C00528182	VIRGIN ISLANDS FOR PLASKETT	PLASKETT, STACEY	MARVIN L. PICKERING	\$134,305	0		Not Filed	\$44,768 (est)	\$990
2738	C00511287	WILSON 2012	WILSON, THOMAS	MARY F. GRAETZER	\$338,221	3	2/8/2013	8	\$809	\$113
2739	C00514414	ZEIN OBAGI FOR CONGRESS	OBAGI, ZEIN ELABDINE JR	ZEIN E. OBAGI, JR.	\$126,725	0		Not Filed	\$31,681 (est)	\$990

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation -) AF 2718
2012 Year-End Report for the)
Administrative Fine Program)

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on April 03, 2013, the Commission decided by a vote of 5-0 to take the following actions in AF 2718:

1. Find reason to believe that Kenneth Sanders for Congress Committee and Office of Treasurer violated 2 U.S.C. 434(a) and make a preliminary determination that the civil money penalty would be in the amount of \$1,237.
2. Send the appropriate letter.

Commissioners Hunter, McGahn II, Petersen, Walther, and Weintraub voted affirmatively for the decision.

Attest:

April 4, 2013
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 4, 2013

Office Of Treasurer
Kenneth Sanders for Congress Committee
P.O. Box 183504
Arlington, TX 78096

C00514489
AF#: 2718

Dear Treasurer:

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires that your committee file a Year End Report of Receipts and Disbursements every calendar year. This report, covering the period through December 31, 2012, was due no later than January 31, 2013. 2 U.S.C. § 434(a). Records at the Federal Election Commission ("FEC") indicate that this report was not filed within thirty (30) days of the due date. You should file this report if you have not already done so.

The Act permits 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 April 3, 2013, the FEC found that there is reason to believe ("RTB") that Kenneth Sanders for Congress Committee and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) by failing to file timely this report on or before January 31, 2013. Based on the FEC's schedules of civil money penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at the RTB stage is \$1,237. Please see the attached copy of the Commission's administrative fine regulations at 11 CFR §§ 111.30-111.55. Attachment 1. The Commission's website contains further information about how the administrative fine program works and how the fines are calculated. See <http://www.fec.gov/af/af.shtml>. 11 CFR § 111.34. Your payment of \$1,237 is due within forty (40) days of the finding, or by May 13, 2013, and is based on these factors:

Sensitivity of Report: Not Election Sensitive
Level of Activity: \$40,081
Number of Days Late: Not Filed
Number of Previous Civil Money Penalties Assessed: 1

At this juncture, the following courses of action are available to you:

1. If You Choose to Challenge the RTB Finding and/or Civil Money Penalty

If you should decide to challenge the RTB finding and/or calculated civil money penalty, you must submit a written response, including the AF# found at the top of page 1 under your committee's identification number, to the FEC's Office of Administrative Review, 999 E Street,

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NW, Washington, DC 20463. Your response must be received within forty (40) days of the Commission's RTB finding, or May 13, 2013. 11 CFR § 111.35(a). Your written response must include the reason(s) why you are challenging the RTB finding and/or calculated civil money penalty, and 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. 11 CFR § 111.36(c).

The FEC will only consider challenges that are based on at least one of three grounds: (1) a factual error in the RTB finding; (2) miscalculation of the calculated civil money penalty by the FEC; or (3) your demonstrated use of best efforts to file in a timely manner when prevented from doing so by reasonably unforeseen circumstances that were beyond your control. 11 CFR § 111.35(b). In order for a challenge to be considered on the basis of best efforts, you must have filed the required report no later than 24 hours after the end of these reasonably unforeseen circumstances. *Id.* Examples of circumstances that will be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) a failure of Commission computers or Commission-provided software despite your seeking technical assistance from Commission personnel and resources; (2) a widespread disruption of information transmissions over the Internet that is not caused by a failure of the Commission's or your computer systems or Internet service provider; and (3) severe weather or other disaster-related incident. 11 CFR § 111.35(c). Examples of circumstances that will not be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) negligence; (2) delays caused by vendors or contractors; (3) treasurer and staff illness, inexperience or unavailability; (4) committee computer, software, or Internet service provider failures; (5) failure to know filing dates; and (6) failure to use filing software properly. 11 CFR § 111.35(d).

The "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 U.S. district court under 2 U.S.C. § 437g. 11 CFR § 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.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Submit a Challenge

If you do not pay the calculated civil money penalty and do not submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that Kenneth Sanders for Congress Committee and you, in your official capacity 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 CFR § 111.51(a)(2).

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3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the calculated civil money penalty, send the enclosed remittance form, along with your payment, to the FEC at the address on page 4. Upon receipt of your payment, the FEC will send you a final determination letter.

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 CFR § 111.42, unless you notify the FEC in writing that you wish the matter to be made public.

As noted earlier, you may obtain additional information on the FEC's administrative fine program, including the final regulations, on the FEC's website at <http://www.fec.gov/af/af.shtml>. If you have questions regarding the payment of the calculated civil money penalty, please contact Sari Pickerall 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.

On behalf of the Commission,



Ellen L. Weintraub
Chair

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ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at RTB is \$1,237 for the 2012 Year-End 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 May 13, 2013. 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: Kenneth Sanders for Congress Committee

FEC ID#: C00514489

AF#: 2718

PAYMENT DUE DATE: May 13, 2013

PAYMENT AMOUNT DUE: \$1,237

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2013 JUN 26 AM 11:49

June 25, 2013

SENSITIVE

MEMORANDUM

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Debbie Chacona *DC*
Assistant Staff Director
Reports Analysis Division

BY: Kristin DeCarmine/Sari Pickeral *KD CP*
Compliance Branch

SUBJECT: Administrative Fine Program – Final Determination Recommendation for the
2012 Year End Report

Attached are two lists of political committees and their treasurers against which the Commission has found reason to believe (RTB) and assessed proposed civil money penalties calculated at RTB for failure to file or failure to timely file the 2012 Year End Report. The first list represents the committees that have paid the civil money penalty and the second list represents the committees that have not paid the civil money penalty. The committees that have not paid have been given at least forty (40) days from the date of the Commission's RTB finding to remit payment.

In accordance with 11 CFR § 111.34 and 11 CFR § 111.40, the Commission shall send a final determination notice to those respondents that have either paid or not paid the civil money penalty.

Reports Analysis Division (RAD) recommends that the Commission take no further action against two (2) of the committees outlined on the attached second list, Gary Smith for Congress (AF 2710) and Jim Horn Election Committee (AF 2715). An overview of both cases has been provided below.

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- Gary Smith for Congress (AF 2710) is the principal campaign committee ("PCC") for a candidate who, as of April 9, 2012, appeared on the ballot in the 2012 New Mexico Congressional election held on June 5, 2012. On April 16, 2012, a New Mexico district court judge ruled that Mr. Smith was ineligible for the Republican primary ballot in New Mexico's 1st Congressional District. In May 2013, after RTB, RAD uncovered that Mr. Smith was allegedly arrested on multiple occasions. The committee currently has two (2) outstanding Administrative Fines (AF cases 2545 and 2710), for which the civil money penalties total \$8,552. AF case 2545 has been transferred to the U. S. Department of the Treasury ("Treasury") for collection. It is expected that AF 2710 will also be transferred to Treasury once the forty (40) day period has elapsed from the receipt date of the Final Determination notification.

Please note that the last report filed by the above committee with the Commission was a 2012 Termination Report, filed on October 25, 2012. Since then, the committee has stopped filing and has not filed in 2013. Furthermore, the committee has neither responded to Commission requests to file, nor paid any of the assessed fines. Attempts to notify the committee of RTB and FD findings by the Commission, which were sent by USPS Express Mail and United Parcel Service (UPS), were often returned.

- Jim Horn Election Committee (AF 2715) is the principal campaign committee ("PCC") for a candidate who appeared on the ballot in the 2012 Florida Congressional election held on August 14, 2012. In April 2013, after RTB, RAD discovered that the candidate died on October 8, 2012. The committee currently has four (4) outstanding Administrative Fines (AF cases 2546, 2567, 2585 and 2715), for which the civil money penalties total \$5,359. AF cases 2546, 2567, and 2585 have been transferred to the U. S. Department of the Treasury ("Treasury") for collection. It is expected that AF 2715 will also be transferred to Treasury once the forty (40) day period has elapsed from the receipt date of the Final Determination notification.

Please note that the last report filed by the above committee with the Commission was a 2012 April Quarterly Report, filed on April 16, 2012. Since then, the committee has stopped filing and has not filed in 2013. Furthermore, the committee has neither responded to Commission requests to file, nor paid any of the assessed fines. RAD will be referring the Jim Horn Election Committee to OGC for administrative termination.

As such, RAD recommends no further action against Gary Smith for Congress and Jim Horn Election Committee.

In addition, twenty-two (22) committees disclosed a level of activity after the RTB finding which would result in a lowered civil money penalty. Of these, eight (8) committees will be assessed a civil money penalty at Final Determination (FD) that has been reduced since the

RTB finding, and fourteen (14) committees will be assessed a civil money penalty of \$0 at FD. An overview of each of these cases has been provided below.

Andrei for Arizona (AF 2692) filed the 2013 Termination Report with coverage dates including the 2012 Year End period after the RTB finding and disclosed no activity (previously estimated to be \$561,951), which would result in no civil money penalty (fine previously assessed to be \$11,000).

Barbara Carlson for US Congress Committee (AF 2694) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$47,925), which would result in no civil money penalty (fine previously assessed to be \$990).

Brad Bookout for Congress (AF 2697) filed the 2013 Termination Report with coverage dates including the 2012 Year End period after the RTB finding and disclosed an actual level of activity which would result in a lowered civil money penalty than that assessed at RTB. The committee disclosed total receipts and disbursements of \$1,449 (previously estimated to be \$20,967), thus the fine would be lowered from \$550 to \$250.

Brad Morris for Congress (AF 2699) disclosed a level of activity after the RTB finding which would result in a lowered civil money penalty than that assessed at RTB. The committee disclosed total receipts and disbursements of \$1,121 (previously estimated to be \$68,461), thus the fine would be lowered from \$2,970 to \$250.

Cassis for Congress (AF 2701) filed the 2012 Year End Report after the RTB finding and disclosed an actual level of activity which would result in a lowered civil money penalty than that assessed at RTB. The committee disclosed total receipts and disbursements of \$9,048 (previously estimated to be \$200,321), thus the fine would be lowered from \$7,150 to \$330.

Committee to Elect Rick Murphy for Congress (AF 2702) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$57,295), which would result in no civil money penalty (fine previously assessed to be \$2,970).

David Schapira for Congress (AF 2703) filed the 2012 Year End Report after the RTB finding and disclosed an actual level of activity which would result in a lowered civil money penalty than that assessed at RTB. The committee disclosed total receipts and disbursements of \$4,097 (previously estimated to be \$140,544), thus the fine would be lowered from \$4,950 to \$250.

Friends of David for Congress (AF 2705) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$28,553), which would result in no civil money penalty (fine previously assessed to be \$990).

Friends of Julian Schreiber (AF 2706) filed the 2012 Year End Report after the RTB finding and disclosed an actual level of activity which would result in a lowered civil money penalty than that assessed at RTB. The committee disclosed total receipts and disbursements of \$4,284 (previously estimated to be \$447,578), thus the fine would be lowered from \$9,900 to \$250.

Imus for Congress (AF 2712) disclosed no activity after the RTB finding (previously estimated to be \$28,622), which would result in no civil money penalty (fine previously assessed to be \$990).

Jimmie Moore for Congress (AF 2716) disclosed no activity after the RTB finding (previously estimated to be \$57,123), which would result in no civil money penalty (fine previously assessed to be \$3,712).

Leah for Congress (AF 2721) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$35,995), which would result in no civil money penalty (fine previously assessed to be \$1,237).

Long, William Todd (AF 2723) disclosed no activity after the RTB finding (previously estimated to be \$49,321), which would result in no civil money penalty (fine previously assessed to be \$990).

Maragos4NY (AF 2724) filed the 2012 Year End Report after the RTB finding and disclosed an actual level of activity which would result in a lowered civil money penalty than that assessed at RTB. The committee disclosed total receipts and disbursements of \$1,205 (previously estimated to be \$577,072), thus the fine would be lowered from \$11,000 to \$250.

McGoff for Congress (AF 2725) filed the 2013 Termination Report with coverage dates including the 2012 Year End period after the RTB finding and disclosed no activity (previously estimated to be \$101,044), which would result in no civil money penalty (fine previously assessed to be \$4,950).

Melendez for Congress (AF 2726) filed the 2012 Year End Report after the RTB finding and disclosed an actual level of activity which would result in a lowered civil money penalty

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than that assessed at RTB. The committee disclosed total receipts and disbursements of \$2,414 (previously estimated to be \$49,404), thus the fine would be lowered from \$990 to \$250.

Michael Williams for Congress (AF 2727) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$201,996), which would result in no civil money penalty (fine previously assessed to be \$7,150).

Peloquin for Congress (AF 2730) filed the 2012 Termination Report with coverage dates including the Year End period after the RTB finding and disclosed no activity (previously estimated to be \$28,778), which would result in no civil money penalty (fine previously assessed to be \$990).

Redfield for Congress (AF 2731) filed the 2013 Termination Report with coverage dates including the 2012 Year End period after the RTB finding and disclosed no activity (previously estimated to be \$17,978), which would result in no civil money penalty (fine previously assessed to be \$550).

Roberts for Congress (AF 2733) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$36,661), which would result in no civil money penalty (fine previously assessed to be \$990).

Zein Obagi for Congress (AF 2739) filed the 2012 Year End Report after the RTB finding and disclosed no activity (previously estimated to be \$31,681), which would result in no civil money penalty (fine previously assessed to be \$990).

Also, three (3) committees detailed below designated a new Treasurer after the RTB finding:

- Bette Grande for Congress (AF 2696) filed an Amended Statement of Organization after the RTB finding designating Don Grande as Treasurer (see first list);
- Edwards Wildman PAC Inc (AF 2704) filed an Amended Statement of Organization after the RTB finding designating John Holthaus as Treasurer (see first list);
- Friends of Julian Schreiber (AF 2706) filed an Amended Statement of Organization after the RTB finding designating Christopher P. Ragucci as Treasurer (see second list).

In addition, a letter of resignation was filed by the treasurer for Kenneth Sanders for Congress Committee (AF 2718). The FD finding will be against the "Office of Treasurer" as the committee has not yet filed an Amended Statement of Organization to appoint a new treasurer.

Also, one (1) committee detailed below converted to a Political Action Committee (PAC) after RTB; therefore, changing the Committee name:

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- Friends of Tim Johnson (AF 2709) filed an Amended Statement of Organization after the RTB finding designating them as a PAC and changing their name to Middle Ground PAC (see first list).

RAD Recommendation

1. Take no further action against Gary Smith for Congress (AF 2710) and Jim Horn Election Committee (AF 2715) and exclude these committees from future Administrative Fine Reason to Believe recommendations.
2. Make final determination that the political committees and their treasurers listed on the attached reports violated 2 U.S.C. § 434(a) and assess the final civil money penalties so indicated.
3. Make final determination that the political committees and their treasurers listed on the attached reports with no activity, violated 2 U.S.C. § 434(a) and will not be assessed a civil money penalty.
4. Send the appropriate letters.

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Federal Election Commission
FD Circulation Report Fine Paid
2012 YEAR-END Not Election Sensitive 01/31/2013 H_S_P_UNAUTH

AF#	Committee Name	Candidate Name	Committee ID	Treasurer	Receipt Date	Days Late	LOA	PV	RTB Date	RTB Penalty	Final Money Penalty	Date Paid	Amount Paid
2689	AMBULATORY SURGERY CENTER ASSOCIATION PAC (ASCAPAC)		C00424768	BRENDAN DAVIS	02/12/2013	12	\$5,159	0	04/03/2013	\$115	\$115	04/17/2013	\$115
2690	AMEDISYS INC POLITICAL ACTION COMMITTEE		C00436360	DALE E. REDMAN	02/07/2013	7	\$29,511	0	04/03/2013	\$340	\$340	05/13/2013	\$340
2691	AMERICAN CHIROPRACTIC ASSOCIATION PAC		C00102764	DR. MICHAEL SIMONE	02/21/2013	21	\$13,193	0	04/03/2013	\$215	\$215	04/25/2013	\$215
2693	ANDREW HUGHES FOR CONGRESS	HUGHES, ANDREW IFITS	C00499491	JEFF UP THE GROVE	02/19/2013	19	\$13,888	1	04/03/2013	\$256	\$256	05/28/2013	\$256
2695	BARNES FOR CONGRESS	BARNES, BRIAN PATRICK	C00504068	LISA MILLER	03/11/2013	Not Filed	\$11,258	0	04/03/2013	\$550	\$550	05/14/2013	\$550
2696	BETTE GRANDE FOR CONGRESS	GRANDE, BETTE B	C00503177	DON GRANDE		Not Filed	\$10,080	0	04/03/2013	\$550	\$550	05/14/2013	\$550
2704	EDWARDS WILDMAN PAC INC		C00468009	JOHN HOLTHAUS	02/22/2013	22	\$13,092	0	04/03/2013	\$220	\$220	05/14/2013	\$220
2707	FRIENDS OF LIBERTY FOR JESSICA	PUENTE BRADSHAW, JESSICA	C00473710	GARY E. DOAN	03/12/2013	Not Filed	\$1,483	0	04/03/2013	\$250	\$250	04/30/2013	\$250
2708	MIDDLE GROUND PAC	JOHNSON, TIMOTHY V	C00350421	MARK SHELLEN	02/12/2013	12	\$12,584	0	04/03/2013	\$170	\$170	06/20/2013	\$170
2711	IMMIGRATION11, LLC		C00495259	STANLEY P. DULL	02/13/2013	13	\$15,308	1	04/03/2013	\$218	\$218	04/30/2013	\$218
2719	KRISTIN JACOBS FOR CONGRESS	JACOBS, KRISTIN	C00512368	JACOB C. RICHTER	02/19/2013	19	\$901	0	04/03/2013	\$120	\$120	04/15/2013	\$120
2729	NATIONAL ASSOCIATION OF FARM SERVICE AGENCY COUNTY OFFICE EMPLOYEES INC PPC AKA NASCOE PAC		C00413567	ROBERT L. REDDING, JR	02/11/2013	11	\$7,906	1	04/03/2013	\$137	\$137	05/14/2013	\$137
2736	TODD AKIN FOR SENATE	AKIN, W TODD	C00343475	G. SCOTT ENGELBRECHT	02/07/2013	7	\$121,140	0	04/03/2013	\$1,535	\$1,535	05/13/2013	\$1,535

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Federal Election Commission
FD Circulation Report Fine Not Paid
2012 YEAR-END Not Election Sensitive 01/31/2013 H_S_P_UNAUTH

AF#	Committee Name	Candidate Name	Committee ID	Treasurer	Receipt Date	Days Late	LOA	PV	RTB Date	RTB Penalty	Days Since RTB	FD Penalty
2692	ANDREI FOR ARIZONA	CHERNY, ANDREI	C00511980	SETH SCOTT	04/12/2013	Not Filed	\$0	0	04/03/2013	\$1,000	84	NONE
2694	BARBARA CARLSON FOR US CONGRESS COMMITTEE	CARLSON, BARBARA J	C00507442	SHERI EDWARDS	05/15/2013	Not Filed	\$0	0	04/03/2013	\$990	84	NONE
2697	BRAD BOOKOUT FOR CONGRESS	BOOKOUT, BRADLEY T	C00501411	LISA BOOKOUT	05/24/2013	Not Filed	\$1,449	0	04/03/2013	\$550	84	\$250
2699	BRAD MORRIS FOR CONGRESS	MORRIS, BRAD	C00513788	ROBERT T. "BOB" GRAY		Not Filed	\$1,121	0	04/03/2013	\$2,970	84	\$250

2701	CASSIS FOR CONGRESS	CASSIS, NANCY	C00523431	SEAN C. SANT	05/09/2013	Not Filed	\$9,048	0	04/03/2013	\$7,150	84	\$330
2702	COMMITTEE TO ELECT RICK MURPHY FOR CONGRESS	MURPHY, RICK	C00523167	RICK MURPHY	04/05/2013	Not Filed	\$0	0	04/03/2013	\$2,970	84	NONE
2703	DAVID SCHAPIRA FOR CONGRESS	SCHAPIRA, DAVID	C00510495	LAUREN KUBY	04/12/2013	Not Filed	\$4,097	0	04/03/2013	\$4,950	84	\$250
2705	FRIENDS OF DAVID FOR CONGRESS	THAYNE, DAVID CRUZ	C00500058	DAVID THAYNE	04/18/2013	Not Filed	\$0	0	04/03/2013	\$990	84	NONE
2706	FRIENDS OF JULIAN SCHREIBMAN	SCHREIBMAN, JULIAN D	C00513739	CHRISTOPHER P. RAGUCCI	04/14/2013	Not Filed	\$4,284	0	04/03/2013	\$9,900	84	\$250
2710	GARY SMITH FOR CONGRESS	SMITH, GARY	C00505685	GARY SMITH		Not Filed	\$168,428 (est)	1	04/03/2013	\$7,562	84	NFA
2712	IMUS FOR CONGRESS	IMUS, GREGG	C00498311	CHAD HANEY		Not Filed	\$0	0	04/03/2013	\$990	84	NONE
2713	JACKSON FOR VIRGINIA	JACKSON, EARL W SR	C00495589	THEODORA J. JACKSON	03/05/2013	Not Filed	\$1,136	1	04/03/2013	\$312	84	\$312
2714	JESSE JACKSON JR FOR CONGRESS	JACKSON, JESSE JR	C00305920	VICKIE PASLEY		Not Filed	\$206,675 (est)	0	04/03/2013	\$7,150	84	\$7,150
2715	JIM HORN ELECTION COMMITTEE	HORN, JIM	C00478818	OLIVIA JULIA HORN		Not Filed	\$38,581 (est)	3	04/03/2013	\$1,732	84	NFA
2716	JIMMIE MOORE FOR CONGRESS	MOORE, JIMMIE SEE	C00487644	GAIL A. CHINN-PRATT		Not Filed	\$0	1	04/03/2013	\$3,712	84	NONE

2718	KENNETH SANDERS FOR CONGRESS COMMITTEE	SANDERS, KENNETH	C00514489	OFFICE OF TREASURER		Not Filed	\$40,081 (est)	1	04/03/2013	\$1,237	84	\$1,237
2720	LAMAR STERNAD FOR CONGRESS	STERNAD, JUSTIN LAMAR	C00505529	JUSTIN LAMAR STERNAD		Not Filed	\$32,148 (est)	1	04/03/2013	\$1,237	84	\$1,237
2721	LEAH FOR CONGRESS	SCHANDLBAUER, LEAH CAMPOS	C00517110	JACOB BROWN	04/10/2013	Not Filed	\$0	1	04/03/2013	\$1,237	84	NONE
2723	LONG, WILLIAM TODD	LONG, WILLIAM TODD	C00517078	TODD LONG		Not Filed	\$0	0	04/03/2013	\$990	84	NONE
2724	MARAGOSANY	MARAGOS, GEORGE	C00497099	KHALEDA MALIQUE	04/15/2013	Not Filed	\$1,205	0	04/03/2013	\$11,000	84	\$250
2725	MCGOFF FOR CONGRESS	MCGOFF, JOHN P	C00432948	MARJORIE O'LAUGHLIN	04/10/2013	Not Filed	\$0	0	04/03/2013	\$4,950	84	NONE
2726	MELENDEZ FOR CONGRESS	MELENDEZ, JULIUS	C00510982	BERNIE MAJLI	04/16/2013	Not Filed	\$2,414	0	04/03/2013	\$990	84	\$250
2727	MICHAEL WILLIAMS FOR CONGRESS	WILLIAMS, MICHAEL L	C00457960	R. STEVEN HICKS	06/21/2013	Not Filed	\$0	0	04/03/2013	\$7,150	84	NONE
2728	MODICA FOR SENATE	MODICA, JULIEN	C00494187	JULIEN MODICA		Not Filed	\$224,598 (est)	3	04/03/2013	\$12,512	84	\$12,512
2730	PELOQUIN FOR CONGRESS	PELOQUIN, DONALD	C00506568	KYLE KACZANOWSKI	05/13/2013	Not Filed	\$0	0	04/03/2013	\$990	84	NONE
2731	REDFIELD FOR CONGRESS	REDFIELD, HOLLAND II	C00523993	JAMES OLIVER	05/06/2013	Not Filed	\$0	0	04/03/2013	\$550	84	NONE
2733	ROBERTS FOR CONGRESS	ROBERTS, MARVIN KIRBY	C00507202	JUSTIN ROBERTS	05/13/2013	Not Filed	\$0	0	04/03/2013	\$990	84	NONE
2734	ROSE MEZA HARRISON FOR CONGRESS	HARRISON, ROSE MEZA	C00504498	GEORGE CLOWER	03/14/2013	Not Filed	\$2,461	0	04/03/2013	\$250	84	\$250
2735	STEVE COLLETT FOR CONGRESS	COLLETT, STEPHEN (STEVE)	C00494690	STEVE COLLETT		Not Filed	\$50,258 (est)	0	04/03/2013	\$2,970	84	\$2,970
2738	WILSON 2012	WILSON, THOMAS	C00511287	MARY F. GRAETZER	02/08/2013	8	\$809	3	04/03/2013	\$113	84	\$113
2739	ZEIN OBAGI FOR CONGRESS	OBAGI, ZEIN ELABDINE JR	C00514414	ZEIN E. OBAGI, JR.	04/08/2013	Not Filed	\$0	0	04/03/2013	\$990	84	NONE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Administrative Fine Program – Final) AF 2718
Determination Recommendation for the)
2012 Year End Report: Kenneth)
Saunders for Congress Committee and)
Office of Treasurer)

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on June 27, 2013, the Commission decided by a vote of 5-0 to take the following action in AF 2718:

1. Make a final determination that Kenneth Saunders for Congress Committee and Office of Treasurer, violated 2 U.S.C 434(a) and assess the final civil money penalty in the amount of \$1,237.
2. Send the appropriate letter.

Commissioners Hunter, McGahn II, Petersen, Walther, and Weintraub voted affirmatively for the decision.

Attest:

June 28, 2013
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 1, 2013

Office of Treasurer, in official capacity as Treasurer
Kenneth Sanders for Congress Committee
P.O. Box 183504
Arlington, TX 78096

C00514489
AF#: 2718

Dear Treasurer:

On April 3, 2013, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Kenneth Sanders for Congress Committee and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) for filing late or failing to file the 2012 Year-End Report. By letter dated April 4, 2013, the Commission notified you of the RTB finding and the civil money penalty calculated at the RTB stage to be \$1,237 in accordance with the schedule of penalties at 11 CFR § 111.43. Within forty (40) days of the FEC's RTB finding, you, as treasurer, were required to either transmit payment of the calculated civil money penalty or submit a written response challenging either the RTB finding or the calculated civil money penalty. You must also file the 2012 Year-End Report if you have not already done so.

The FEC did not receive payment of the calculated civil money penalty or a written response within the time permitted. The FEC made a final determination on June 27, 2013 that Kenneth Sanders for Congress Committee and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) and assessed a civil money penalty in the amount of \$1,237 in accordance with 11 CFR § 111.43. The civil money penalty is based on these factors:

Election Sensitivity of Report: Not Election Sensitive
Level of Activity: \$40,081
Number of Days Late: Not Filed
Number of Previous Civil Money Penalties Assessed: 1

At this juncture, the following courses of action are available to you:

1. If You Choose to Appeal the Final Determination and/or Civil Money Penalty

If you choose to appeal the final determination, you should submit a written petition, within thirty (30) days of receipt of this letter, to the district court of the United States for the district in which the committee or you reside, or transact business, requesting that the final

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determination be modified or set aside. See 2 U.S.C. § 437g(a)(4)(C)(iii). Your failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver of the respondents' right to present such argument in a petition to the district court under 2 U.S.C. § 437g. 11 CFR § 111.38.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Appeal

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 ("DCIA"), 31 U.S.C. § 3701 *et seq.* If you do not pay this debt within thirty (30) days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within five (5) days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 28% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the civil money penalty, send the enclosed remittance form, along with your payment, to the address on page 4 within thirty (30) days of receipt of this letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assessed upon making a final determination.

5. Settlement Offers

If you make a payment in an amount less than the civil money penalty as an offer to settle or compromise a debt owed to the Commission, the offer is herewith rejected despite any

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restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assessed upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. The file will be made a part of the public record pursuant to 11 CFR § 111.42(b). Although the file must be placed on the public record within thirty (30) days from the date of the Commission's notification, this could occur at anytime following certification of the Commission's vote.

If you have any questions regarding the payment of the civil money penalty, please contact Sari Pickerall at Federal Election Commission, 999 E St., NW, Washington, DC 20463, or our toll free number (800) 424-9530 (at the prompt, press 5) or (202) 694-1130.

On behalf of the Commission,



Ellen L. Weintraub
Chair

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ADMINISTRATIVE FINE PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.43, the civil money penalty is \$1,237 for the 2012 Year-End Report.

This penalty should be paid by check or money order made payable to the Federal Election Commission. It should be sent by mail to:

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

If you choose to send your 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 form and payment are due within thirty (30) days of receipt of this 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 the 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: Kenneth Sanders for Congress Committee

FEC ID#: C00514489

AF#: 2718

PAYMENT AMOUNT DUE: \$1,237

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**U.S. Department of the Treasury
Financial Management Service
Debt Collection Programs**

(Cross-Servicing Program and Treasury Offset Program)

Calendar Year 2013 Annual Debt Certification Agreement for Federal Nontax Debts

This Annual Debt Certification Agreement for Federal Nontax Debts (Certification Agreement) is submitted by: (Creditor Agency) Federal Election Commission (FEC).

Section I: Background

- A. The U.S. Department of the Treasury, Financial Management Service (FMS), provides debt collection services to Federal agencies that are owed delinquent debt.
- B. Federal agencies are generally required to submit debts that have been delinquent for 180 days to FMS for debt collection services, and may submit debts sooner if the necessary prerequisites are met. See 31 U.S.C. §§ 3711(g) and 3716(c).
- C. Upon submitting debts to FMS for debt collection services, Federal agencies are required to certify to FMS, among other things, that the debts are valid, legally enforceable, there are no bars to collection, and all requisite due process has been completed, as set forth in this Certification Agreement.
- D. The definitions of terms used in this Certification Agreement are in Attachment A, Definitions of Terms Used in Certification Agreement.

Section II: General Provisions

The Creditor Agency understands and agrees to the following:

- A. **Scope.** The provisions of this Certification Agreement apply to all Debts submitted by Electronic Transmission on or after the date of the Certification Agreement by the Creditor Agency to FMS for collection through the Cross-Servicing Program and/or the Treasury Offset Program.
- B. **Certification Authority.** Only an individual with delegated authority to certify a Debt on behalf of the Creditor Agency will submit a Debt to FMS via an Add Record or Update Record. The Creditor Agency will provide a copy of this Certification Agreement to any such individual.

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C. Changes to Debt Information.

1. The Creditor Agency understands its obligation to notify FMS: (a) of any change in the amount, validity, or legal enforceability of the Debt; and (b) if the Debt becomes subject to circumstances that legally preclude or bar collection.
2. The Creditor Agency authorizes FMS to Update Records on its behalf, in accordance with criteria established by FMS, for the purpose of adding alias Debtor name information for a Debt certified by the Creditor Agency. Creditor Agency will notify FMS as soon as it learns that any such updates are incorrect.

Section III: Debt Certification

The Creditor Agency understands that by submitting a Debt to FMS via an Add Record or Update Record, the individual submitting the Debt is certifying to FMS, in writing, under penalty of perjury, that, to the best of his or her knowledge and belief, the following is true and correct:

A. General Prerequisites for Collection.

1. **Valid Debts.** The Creditor Agency has made a final determination that the Debt is valid and legally enforceable in the amount stated, and that the Debt is not subject to any circumstances that legally preclude or bar collection.
2. **Delinquent Debts.** The Debt is delinquent, and the Debtor is not paying the Debt in accordance with any repayment plan agreed to by the Creditor Agency.
3. **Interest, Penalties, and Administrative Costs.** The Creditor Agency has complied with all of the provisions of 31 U.S.C. § 3717 and 31 CFR 901.9, as well as other statutes, regulations, and policies applicable to Creditor Agency's assessment of interest, penalties, and administrative costs on the Debt. The Creditor Agency has provided a written notice to the Debtor explaining the Creditor Agency's requirements concerning the assessment of interest, penalties, and administrative costs.
4. **Debtor Disputes.** The Creditor Agency has considered any and all evidence presented by the Debtor disputing the Creditor Agency's determination about the Debt, and there are no pending appeals of such determination that would preclude collection of the Debt.
5. **Collection Efforts.** The Creditor Agency has made reasonable efforts to obtain payment of the Debt, including, at a minimum, by demanding payment of the Debt.
6. **Creditor Agency Profile Form.** The Creditor Agency Profile Form has been completed by the Creditor Agency and is accurate and up-to-date.

B. General Prerequisites for Collection by Offset, including Tax Refund Offset. If, in the Creditor Agency Profile Form, the Creditor Agency has authorized FMS to collect the Debt by offsetting Federal and State tax and nontax payments:

- 13092693639
1. ***Compliance with Offset Laws.*** The Creditor Agency has complied with all of the provisions of 31 U.S.C. §§ 3716 and 3720A, 31 CFR Part 285, and the Federal Claims Collection Standards (31 CFR Parts 900-904), as may be amended, as well as other statutes, regulations and policies applicable to the collection of the Debt by offset.
 2. ***Due Process Prerequisites.*** At least 60 days prior to the Certification Date, the Creditor Agency has provided, or made a reasonable attempt to provide, in accordance with applicable offset regulations, each Debtor with:
 - a. a written notification, at the Debtor's most current known address, of the nature and the amount of the Debt, the intention of the Creditor Agency to collect the Debt through offset, including offset of Federal and State payments, and an explanation of the rights of the Debtor;
 - b. an opportunity to inspect and copy the records of the Creditor Agency with respect to the Debt;
 - c. an opportunity for review of the Creditor Agency's determination with respect to the Debt, including an opportunity to present evidence that all or part of the Debt is not delinquent or legally enforceable; and
 - d. an opportunity to enter into a written repayment agreement with the Creditor Agency.
 3. ***Due Process Prerequisites for Certain Older Debts.*** For a Debt outstanding more than ten years on or before December 28, 2009, the Creditor Agency sent the notice described in Section III.B.2.a to the last known address of the Debtor after the Debt was outstanding for more than ten years, and afforded the Debtor the opportunities described in Sections III.B.2.b. - II.B.2.d. at that time. This requirement does not apply to any Debt that could be collected by offset without regard to any time limitation prior to December 28, 2009.

C. *Prerequisites for Collection by Federal Salary Offset.* If, through a Salary Offset Instruction, the Creditor Agency has authorized FMS to collect the Debt by offsetting Federal salary payments:

1. ***Compliance with Federal Salary Offset Laws.*** The Creditor Agency has complied with all of the provisions of 5 U.S.C. § 5514, 5 CFR §§ 550.1101-1110, and 31 CFR 285.7, as may be amended, as well as other statutes, regulations and policies applicable to collection by salary offset; and
2. ***Due Process Prerequisites.*** At least 60 days prior to the Certification Date, the Creditor Agency has provided, or made a reasonable attempt to provide, in accordance with applicable offset regulations, each Debtor with the notification and opportunities required by Sections III.B.2. and III.B.3., and any other notices, opportunities, or considerations required for Federal salary offset.

D. **Consumer Reporting Agencies.** If, in the Creditor Agency Profile Form, the Creditor Agency has authorized FMS to disclose Debts to consumer reporting agencies:

1. **Compliance with Consumer Reporting Agency Requirements.** The Creditor Agency has complied with all of the provisions of 31 U.S.C. § 3711(e) and the Federal Claims Collection Standards, as well as other statutes, regulations, and policies applicable to the reporting of a delinquent Debt to consumer reporting agencies.
2. **Notice Prerequisites.** At least 60 days prior to the Certification Date, the Creditor Agency provided the Debtor with:
 - a. notification that the Debt is overdue and the Creditor Agency intends to disclose that the Debtor is responsible for the Debt to a consumer reporting agency;
 - b. the specific information to be disclosed to the consumer reporting agency; and
 - c. the Debtor's rights to an explanation of the claim, dispute the information in the Creditor Agency's records about the claim, and an administrative appeal or review of the claim; and
3. **Review Prerequisites.** Upon the request of a Debtor, the Creditor Agency has provided for a review of the Debtor's claim(s), including an opportunity for reconsideration of the initial decision on the Debt.

Section IV: Certification

By signing below, I certify that I have delegated authority to execute this Certification Agreement on behalf of the head of Creditor Agency and understand this agreement applies to all debts submitted by Electronic Transmission on or after the date of the Certification Agreement to FMS for collection through the Cross-Servicing Program and/or the Treasury Offset Program.

Signature

Judy Berning

Print Name

Chief Finance Officer

Title

Date

U.S. Department of the Treasury
Financial Management Service
Debt Collection Programs

(Cross-Servicing Program and Treasury Offset Program)

Annual Debt Certification Agreement for Federal Nontax Debts

ATTACHMENT A

Definitions of Terms Used in Certification Agreement

For the purposes of this Certification Agreement:

1. **Add Records.** "Add Records" means the addition of new Debts, by Electronic Transmission, to the Cross-Servicing Program or TOP, by the Creditor Agency with an instruction by the Creditor Agency directing the Financial Management Service (FMS) to take collection action on the Debt, in accordance with the specification in the FMS Technical Guidance. "Add Records" occurs when the Creditor Agency submits a Debt to FMS unless the Creditor Agency explicitly instructs FMS not to take collection action (in accordance with the specifications of the FMS Technical Guidance). As further specified in the FMS Technical Guidance, "Add Records" can be accomplished either through a batch or manual process.
2. **Certification Date.** "Certification Date" means the date of the Electronic Transmission of the Debt.
3. **Creditor Agency Profile Form.** "Creditor Agency Profile Form" means the document(s) the Creditor Agency completes to provide information to FMS, including, among other things, what tools FMS is authorized to use to collect Debts on behalf of the Creditor Agency, and contact information for the Creditor Agency's personnel who are available to assist FMS with questions related to the transferred Debt. The Creditor Agency Profile Form is an FMS document that FMS sends to agencies for completion.
4. **Cross-Servicing Program.** "Cross-Servicing Program" means FMS's debt collection program in which FMS uses a variety of debt collection tools, including TOP, to collect delinquent nontax debts on behalf of Federal agencies.
5. **Debt.** "Debt" means any federal nontax debt, any information about such a debt, any information about the Debtor associated with the debt, and any update, change, or modification to such information.
6. **Debtor.** "Debtor" means a person who owes a Debt.
7. **Debtor Detail Screen.** "Debtor Detail Screen" means the screen in the TOP Web Client (as defined in FMS Technical Guidance) on which a Debt can be entered.

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8. **Electronic Transmission.** "Electronic Transmission" means any transmission of information to FMS from the Creditor Agency via any form of electronic media including, but not limited to, tapes, diskettes, and on-line access through an Add Records, an Update Records, or a Salary Offset Instruction.
 9. **FMS Technical Guidance.** "FMS Technical Guidance" means the technical guidance issued by FMS that, among other things, instructs agencies how to Add Records and Update Records. "FMS Technical Guidance" includes:
 - a. ***Direct Referrals to TOP.*** For direct referrals to TOP, "FMS Technical Guidance" includes:
 - i. "Treasury Offset Program Agency Guide: The Official Federal Agency Guide to the Treasury Offset Program," version 2010.3, as updated from time-to-time;
 - ii. "Treasury Offset Program: Enhanced Record Layouts Version 3.2 with Definitions, Error Codes and Layout Mapping," as updated from time-to-time;
 - iii. "Integrated Agency Interface File Formats," version 3.30t, as updated from time-to-time;
 - iv. "Treasury Offset Program: The Online Client Agency User Guide," version 1.0, as updated from time-to-time; and
 - v. Any other guidance issued by FMS providing technical specifications for how to refer Debts directly to TOP.
 - b. ***Referrals to the Cross-Servicing Program.*** For referrals to the Cross-Servicing Program, "FMS Technical Guidance" includes:
 - i. "Integrated Agency Interface File Format For Cross-Servicing," version 3.30.1, as updated from time-to-time;
 - ii. "XDC FedDebt Referral File Format: Electronic Case Entry for Cross-Servicing," as updated from time-to-time;
 - iii. "FedDebt Online Functionality: Creating a Case Online," revised 12/2010, as updated from time-to-time;
 - iv. "Cross-Servicing Implementation Guide," revised August 2008, as updated from time-to-time; and
 - v. Any other guidance issued by FMS providing technical specifications for how to refer Debts to the Cross-Servicing Program.
 10. **Record Type 6.** "Record Type 6" means the record layout used for sending data to TOP, and includes information regarding what payments should be excluded from offset.
 11. **Salary Offset Instruction.** "Salary Offset Instruction" means the salary bypass indicator used by the Creditor Agency to indicate to TOP whether or not a Debt should be collected through the offset of Federal salary payments. As further specified in the FMS Technical Guidance:
 - a. ***No Offset of Federal Salary Payments.*** To direct that FMS not collect a Debt through the offset of Federal salary payments, the Creditor Agency must:

- i. Transmit the file with a Record Type 6 containing an A in the Action Field and SAL in the Payment Bypass Indicator Field;
- ii. Indicate in the Creditor Agency's Agency Profile (i.e., the default settings established by the Creditor Agency) that Federal salary payments should not be offset;
- iii. Manually check the "salary by-pass" column online through the Debtor Detail Screen; or
- iv. Follow other relevant guidance in the FMS Technical Guidance regarding how to bypass salary payments.

b. **Offset Federal Salary Payments.** The Creditor Agency directs FMS to collect a Debt through the offset of Federal salary payments as follows:

- i. If the Creditor Agency submits a Debt to FMS without a specific indication that the Debt should not be collected through the offset of Federal salary payments (see paragraph 11.a. of this Attachment A, above), the Creditor Agency has indicated that the Debt should be collected through the offset of Federal salary payments;
- ii. If the Creditor Agency has previously indicated that Federal salary payments not be offset, to indicate that Federal salary payments be offset, the Creditor Agency must:
 - (a) Send a Record Type 6 with a D in the Action Field and SAL in the Payment Bypass Indicator Field;
 - (b) Send a Record Type 6 with a U in the Action Field and SAL in the Payment Bypass Indicator Field; or
 - (c) Indicate in the Creditor Agency's Agency Profile (i.e., the default settings established by the Creditor Agency) that Federal salary payments should be offset; or
- iii. The Creditor Agency must follow other relevant guidance in the FMS Technical Guidance regarding how to offset Federal salary payments.

12. **Treasury Offset Program or TOP.** "Treasury Offset Program" or "TOP" means the FMS's debt matching and payment offset program that uses payment and debt data received from Federal agencies and States to collect delinquent debt from payments disbursed by FMS and other Federal and State disbursing agencies.

13. **Update Records.** "Update Records" means any update, change or modification of information about a Debt previously transmitted by the Creditor Agency. Specifically, "Update Records" includes any update, change or modification of information about such a Debt that is submitted to FMS, by Electronic Transmission, through either a batch or manual process, as further specified by the FMS Technical Guidance.



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 2718

DATE SCANNED

11/26/13

SCANNER NO.

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SCAN OPERATOR

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