



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Case Number: ADR 071
Source: PMUR 405
Case Name: Jesse L. Jackson, Jr.

NEGOTIATED SETTLEMENT

This matter was brought to the attention of the Federal Election Commission (“Commission”) by a *sua sponte* submission by Congressman Jesse L. Jackson, Jr. (“the Respondent”). Following a review of the record, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended (“the FECA”), and to resolve this matter, the Commission entered into negotiations with the Respondent on his own behalf. It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and the Respondent have addressed the issues raised in this matter. The parties have agreed to resolve the matter according to the following terms:

1. The Commission has entered into this agreement as part of its responsibility for administering the Federal Election Campaign Act and in an effort to promote compliance of the FECA on the part of the Respondent. The Commission’s use of ADR procedures is authorized in “The Administrative Dispute Resolution Act of 1996”, 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. The Respondent has voluntarily entered into this agreement with the Commission.
3. On January 25, 2002, the Respondent advised the Commission of his receipt of \$1,300 in contributions from a fund raising event, held on January 11, 2002, that initially was presented as a book-signing party for his recently published volume. Following the event, the Respondent learned that individual contributions, in amounts ranging from \$15 to \$180, were made to the Jesse L. Jackson, Jr. for Congress Committee and collected during the event. Simultaneously, the Respondent learned that the solicitations advised participants that copies of the book would be distributed to those making contributions to the aforementioned committee. A supporter of the Respondent, who collected and forwarded the contributions, later issued a statement assuming full responsibility for the event and acknowledged his errors in arranging the joint book promotion and fundraiser.

4. **The Respondent's campaign committee reported in a Pre-Primary 2002 Report "unitemized contributions" of \$15,520. Subsequently, the Committee reported, in a July 2002 Quarterly Report, refunds to individual of \$4,915.**
5. **On the advice of the House Committee on Standards of Official Conduct, the Respondent subsequently refunded all contributions from the participants at the book signing. In addition, the Respondent subsequently divested \$37.50 representing the amount that accrued from the sale of the subject volume. On advice from the House Committee, the Respondent contributed \$37.50 to a local charity in his district.**
6. **Pursuant to the Commission's regulations at 11 C.F.R. § 100.7(a)(2) the entire amount paid to attend a fundraiser or other political event or to purchase a fundraising item is a contribution.**
7. **Amounts received by a candidate as contributions that are contributed for the purpose of supporting his or her activities as a holder of Federal office may be used by such individual to defray any ordinary and necessary expenses incurred in connection with his or her duties as a holder of Federal office except that no such amounts may be converted by any person to any personal use, other than to defray any ordinary and necessary expenses incurred in connection with his or her duties as a holder of Federal office. 2 U.S.C. § 439a.**
8. **Expenditures made by any person in cooperation, consultation, or concert, with or at the request or suggestion of a candidate shall be considered to be a contribution to such candidate. 2 U.S.C. § 441a(a)(7)(B)(i). Contributions include services or any thing of value including all in-kind contributions. 11 C.F.R. § 100.7(a)(1)(iii). Such in-kind contributions must be reported as an expenditure on the appropriate expenditure schedule. 11 C.F.R. § 104.13(a)(2).**
9. **The Respondent acknowledged that the commingling of campaign activities with private outside business matters is inconsistent with House rules and the FECA In an effort to clarify the reporting responsibilities of campaign committees and further understanding of the FECA, the Respondent will direct staff from his authorized committee to attend, during the next twelve months, a FEC sponsored seminar for candidate committees**
10. **This agreement will become effective on the date signed by all the parties and approved by the Commission.**
11. **This Negotiated Settlement constitutes the entire agreement between the parties on ADR 071/PMUR 405 and effectively concludes this matter. No other statement, promise or agreement, either written or oral, made by either party, not included in herein, shall be enforceable.**

FOR THE COMMISSION:

Allan D. Silberman,
Director Alternative Dispute Resolution Office



Allan D. Silberman

1-17-03
Date

FOR THE RESPONDENT



The Honorable Jesse L Jackson, Jr.

1-9-03
Date

11-09-03 11:09 AM