



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 091
Source: MUR 5298
Case Name: Ashcroft 2000 Committee and
Garrett Lott, Treasurer

NEGOTIATED SETTLEMENT

This matter was initiated by a signed, sworn and notarized complaint filed by William O'Malley. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, ("FECA") and resolve this matter, the Federal Election Commission ("Commission") entered into negotiations with Garrett Lott, representing Ashcroft 2000 Committee and Garrett Lott, Treasurer ("Respondents"). 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 Respondents addressed the issues raised in this complaint. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of respondent(s). The Commission's use of alternative dispute resolution procedures ("ADR") 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. Respondents voluntarily enter into this agreement with the Commission.
3. The complaint alleges that Respondents failed to disclose the debt of \$6,498.68 owed to Complainant for campaign related expenses and mileage. Complainant alleged he incurred these expenses while working for the Ashcroft 2000 campaign committee during the 2000 election cycle. Complainant further alleges that Respondents have an on-going duty to report the disputed debt until a debt settlement plan is approved by the Commission.
4. The FECA requires the reporting of the amount and nature of outstanding debts and obligations owed by or to a political committee; and where such

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debts and obligations are settled for less than their reported amount or value, a statement as to the circumstances and conditions under which such debts or obligations were extinguished and the consideration therefore. 2 U.S.C. § 434(b)(8), 11 C.F.R. § 104.3(d). Federal regulations require that debts and obligations owed by or to a political committee which remain outstanding shall be continuously reported until extinguished. 11 C.F.R. § 104.11(a).

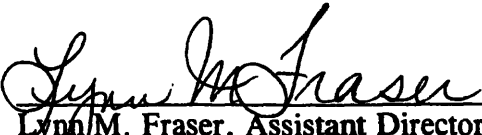
5. Federal regulations define a disputed debt as an actual or potential debt or obligation owed by the political committee, where there is a bona fide disagreement between the creditor and the political committee as to the existence or amount of the obligation owed by the political committee. 11 C.F.R. § 116.1(d). The political committee shall report a disputed debt in accordance with 11 C.F.R. §§ 104.3(d) and 104.11 if the creditor has provided something of value to the political committee. Until the dispute is resolved, the political committee shall disclose on the appropriate reports any amounts paid to the creditor, any amount the political committee admits it owes and the amount the creditor claims is owed. The political committee may also note on the appropriate reports that the disclosure of the disputed debt does not constitute an admission of liability or a waiver of any claims the political committee may have against the creditor. 11 C.F.R. § 116.10(a).
6. Respondents acknowledge that a violation of the FECA occurred due to a misunderstanding of the FECA and relevant regulations. Respondents did not consider the amount requested by Complainant as a debt because some of the expenses had never been approved, other expenses were filed without the required documentation, and the request for reimbursement was filed untimely.
7. Respondents, in an effort to resolve this matter, agree to: (a) file amended reports reflecting the disputed debt from time of occurrence to the present, and continue filing until the disputed debt is resolved; and (b) pay a civil penalty of \$1,000.
8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondent shall comply with the terms of the settlement within forty-five (45) days from the effective date of this agreement.

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10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 091 (MUR 5298), and effectively resolves this matter. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

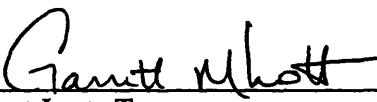
FOR THE COMMISSION:

Allan D. Silberman, Director
Alternative Dispute Resolution Office

By: 
Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office

05-20-03
Date Signed

FOR THE RESPONDENTS:


Garrett Lott, Treasurer
Representing Ashcroft 2000

05-05-03
Date Signed

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