



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

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2003 APR 18 A 11:14  
April 15, 2003

MEMORANDUM

**SENSITIVE**

TO The Commission

THROUGH James A Pehrkon *[Signature]*  
Staff Director

FROM Allan D Silberman *[Signature]*  
Director, ADR Office

**SUBJECT:** Recommendation to Close the File on **ADR 094**

In accordance with the revisions to ADR program procedures approved by the Commission on March 3, 2003, **ADR 094/MUR 5314** is attached for the Commission's review. The case was forwarded to the ADR Office (ADRO) by OGC on November 15, 2002 to review and determine its appropriateness for ADR processing. The Commission assigned the case to the ADRO on February 4, 2003.

Following the new ADR procedures referenced above, this matter will be closed by ADRO if the Commission approves the recommendation in this memorandum. The Office of General Counsel (OGC) concurs that this matter will not be returned to OGC for further action.

The Respondents, Kevin Kelley for Congress, Michigan Democratic State Central Committee (MDSCC) and 11<sup>th</sup> District Democratic Committee (11<sup>th</sup> DDC), did not accept the ADR option after being advised of the Commission's action assigning the matter to ADRO. Counsels for respondents argued: 1) that there was no factual or legal basis for the complaint; and 2) that the contribution that precipitated the complaint was timely refunded. Respondents were unresponsive to suggestions that the ADR program provided an opportunity to quickly conclude the matter and close the case without a civil penalty.

**ADR 094/MUR 5314:** The complaint alleges that affiliated committees, i.e., MDSCC and the 11<sup>th</sup> DDC, each contributed \$10,000 to the Kevin Kelley for Congress Committee. The Kevin Kelley for Congress acknowledged receiving the contribution but asserted that it refunded the contribution when requested by the MDSCC. The MDSCC and the 11<sup>th</sup> DDC, both acknowledged making the contributions and argued that the timely refund of the contribution, which was duly reported in their respective quarterly reports, resolved the issue cited in the complaint.