



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

Case Number ADR 105  
Source MUR 5311  
Case Name Marquette Co. Dem Party

### **NEGOTIATED SETTLEMENT**

This matter was initiated by a signed, sworn and notarized complaint filed by Rusty Hills, on behalf of the Michigan Republican State Committee. 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 Federal Election Commission ("the Commission") entered into negotiations with Jon C. LaSalle, on behalf of the Marquette County Democratic Party ("MCDP") and William G. Davis, Treasurer ("the 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 the Respondents have addressed all 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 with the FECA on the part of the Respondents. 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 Respondents have voluntarily entered into this agreement with the Commission.
3. The complaint alleges that Respondents contributed and made expenditures in excess of \$1,000 during 2000 to various candidates for Federal office thereby incurring an obligation to register as a political committee with the Commission. The Complainants based the complaint on financial reports filed by the MCDP with the Michigan Department of State.
4. The Marquette County Democratic Party, a county party committee located in upper Michigan, with an all-volunteer staff, not registered with the Commission at the time of the complaint, acknowledged operating under a misunderstanding of the FECA. MCDP explained that the expenditures that triggered the complaint involved the purchase Gore/Lieberman campaign-related materials for \$1785 and contributions of \$1304 to two candidates for Federal office. As part of their acknowledgment of "acting incorrectly", MCDP acknowledged the requirement to register and subsequently did register with the Commission and filed the appropriate Statement of Organization

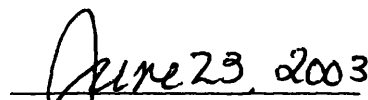
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- 5 A committee, other than an authorized campaign committee and a separated segregated fund, shall file a statement of organization within ten (10) days after becoming a political committee, defined as a committee, club, association or other group of persons that makes expenditures aggregating in excess of \$1,000 during a calendar year. See 2. U.S.C. §§ 433(a) and 431(4)(A).
6. Political committees are permitted to make expenditures for the costs of campaign materials, including pins, bumper stickers and yard signs, used by the committee in connection with volunteer activities on behalf of the nominees of the party. Such expenditures are not considered "contributions" under terms of the Act provided that specified conditions are met. 2 U.S.C. § 431(8)(B)(x). MCDP has met the conditions specified in the aforementioned statute.
7. In order to resolve this matter and avoid similar errors in the future, the MCDP agrees to: (1) select an appropriate representative to attend, within twelve (12) months of the effective date of this agreement, a FEC sponsored workshop on Federal election campaign finance laws and regulations; and 2) set-up and maintain permanent files in MCDP's office copies of Federal election laws, regulations and guidelines regarding FEC-related activity.
8. The parties agree that if the 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 will become effective on the date signed by all the parties and approved by the Commission.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 105/MUR 5311 and effectively resolves this matter. No other statement, promise or agreement, either written or oral, made by either party, not included in herein, shall be enforceable.

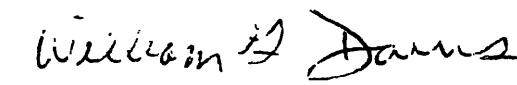
FOR THE COMMISSION:

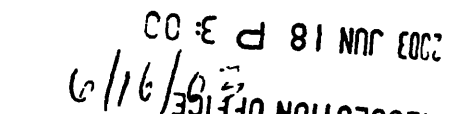
Allan D. Silberman,  
Director, Alternative Dispute Resolution Office

  
Allan D. Silberman

  
Date

FOR THE RESPONDENTS

  
William G. Davis, Treasurer for  
Marquette County Democratic Party

  
Date

FEC  
ALTERNATIVE DISPUTE  
RESOLUTION OFFICE  
JUN 18 3:00 PM 2003