



**Federal Election Commission  
Washington, DC 20463**

Case Number ADR 151

Source RR 03-02

Case Name United Food & Commercial Workers,  
Active Ballot Club and Anthony Perrone, Treasurer

### **NEGOTIATED SETTLEMENT**

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. 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 Commission entered into negotiations with Edward P. Wendel, Associate General Counsel, representing the United Food & Commercial Workers, Active Ballot Club and Anthony Perrone, Treasurer ("Respondents"). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

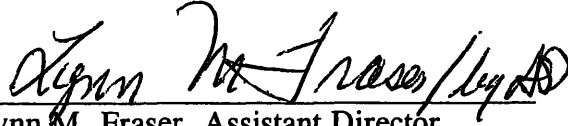
Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

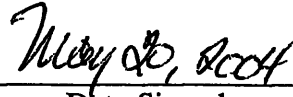
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures ("ADR") is authorized in "The Administrative Dispute Resolution 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. Respondents failed to file 24 Hour Notices for five (5) independent expenditures made prior to the 2002 General Election totaling \$70,000. An amended 2002 30 Day Post-General Report, filed August 22, 2003, included a Schedule E disclosing the \$70,000 as independent expenditures made on behalf of five (5) federal candidates. The amended report reflects that the expenditures were all made on October 25, 2002.

4. The FECA requires that any political committee, other than an authorized committee, must disclose the name and address of each person who receives any disbursement during the reporting period in an aggregate amount or value in excess of \$200 within the calendar year in connection with an independent expenditure by the reporting committee, together with the date, amount, and purpose of any such independent expenditure and a statement which indicates whether such independent expenditure is in support of, or in opposition to, a candidate, as well as the name and office sought by such candidate, and a certification, under penalty of perjury, whether such independent expenditure is made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee. 2 U.S.C. §§ 434(b)(6)(B)(iii), 434(c)(2)(A). Any political committee that makes independent expenditures in connection with an election may also have to file a 24-Hour Report. This reporting requirement is triggered if the committee makes independent expenditures aggregating \$1,000 or more with respect to a given election, after the 20<sup>th</sup> day, but more than 24 hours before the election. 11 C.F.R. § 104.4(c).
5. Respondents acknowledge that a violation of the FECA inadvertently occurred. Respondents stated that these were the first independent expenditures made that triggered the 24-Hour requirement, and their inexperience resulted in the failure to file the reports.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) appoint a Compliance Administrator; (b) have the Compliance Administrator attend an FEC seminar; and (c) pay a civil penalty of \$7,000.
7. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of the settlement, with the exception of term (b) in paragraph 6 above, within thirty (30) days from the effective date of this agreement. Term (b) shall be complied with within fifteen (15) months of the effective day of this agreement.
8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 151 (RR 03-02), 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.

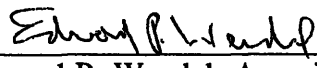
FOR THE COMMISSION:

Allan D. Silberman, Director  
Alternative Dispute Resolution Office

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

  
Date Signed

FOR THE RESPONDENTS:

  
Edward P. Wendel, Associate General Counsel  
Counsel for United Food & Commercial Workers,  
Active Ballot Club and Anthony Perrone, Treasurer

5/10/04  
Date Signed