



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Case Number ADR 154
Source MUR 5377
Case Name Fannie Lou Hamer PAC

NEGOTIATED SETTLEMENT

This matter was initiated by a signed, sworn and notarized complaint filed by Greg McNeilly ("the Complainant") 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 Reginald M. Turner, Jr., Esq. representing Fannie Lou Hamer PAC ("the Committee") and Edwin Washington, 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 failed to register and file campaign finance reports when the Committee violated the terms of the administrative termination action taken by the Commission on November 2, 2000. Noting that the Commission administratively terminated the Committee for repeated failures to file reports, the complaint quotes portions of the Commission's November 2, 2000 letter including guidance that stated, "any receipt or disbursement of funds by the Committee for the purpose of influencing a federal election or supporting a federal candidate will void the administrative termination. In such an event, the Committee will be required to begin filing reports with the Federal Election Commission. The first such report will include any activity since the date of the last report filed by the Committee." The Complainant contends that the Committee violated the Commission's directive and incurred an obligation to register and file campaign finance reports when it spent more than \$1,000 in connection with federal elections in 2002.


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4. Respondents contend that they had no knowledge of the violations cited in the complaint arguing that they did not receive the numerous Failure to File notices from the Commission – which were mailed to a post office box that had not been used for some time by the Committee. Neither the current treasurer, who was appointed in 2000, nor the previous one acknowledged receiving any of the aforementioned notices from the Commission.
 5. All political committees, other than principal, authorized or separate segregated funds, shall file a Statement of Organization not later than 10 days after becoming a political committee. 2 U.S.C. § 433(a) and 11 C.F.R. § 102.1(d). Political committees are defined (*in the applicable statute and regulations at the time of the violation*) as any committee, club, association or other group of persons which receives contributions or makes expenditures aggregating in excess of \$1,000 during a calendar year. 2 U.S.C. § 431 (4) and 11 C.F.R. § 100.5(a).
 6. Each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the reporting requirements of the statute and regulations. 2 U.S.C. § 434(a) and 11 C.F.R. § 104.1. Each report shall disclose the contents enunciated in 2 U.S.C. § 434(b) and 11 C.F.R. § 104.3 including the reporting of disbursements listed in 2 U.S.C. § 434(b)(4) and 11 C.F.R. § 104.3(b).
 7. Any change in information previously submitted in a statement of organization shall be reported no later than 10 days after the date of change. 2 U.S.C § 433(c) and 11 C.F.R § 102.2(a)(2).
 8. Respondents acknowledged that their expenditures in connection with federal election campaigns in 2002 voided the terms of the Commission's administrative termination of November 2000. In order to resolve this matter and avoid violating the FECA in the future, Respondents agree to: 1) complete and file with the Commission the missing campaign finance reports for the period from January 1999 through March 2004; 2) set up and maintain in the Committee's offices a resource file on the FECA to provide guidance for the current and future officers of the PAC; 3) send an appropriate representative to attend, within twelve months of the effective date of this agreement, a FEC seminar on federal election campaign reporting requirements; 4) identify one member of the Committee's staff to be responsible for FECA compliance; and 5) pay a civil penalty of \$500.
 9. 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 and/or forward any outstanding civil penalty to the US Treasury for collection.
 10. This agreement will become effective on the date signed by all the parties and approved by the Commission. Respondents shall comply with the terms of this settlement within thirty (30) days of the effective date of the agreement.

11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 154/MUR 5377 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:

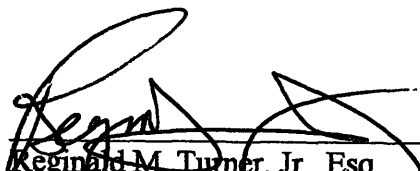
Allan D. Silberman,
Director Alternative Dispute Resolution Office



Allan D. Silberman

June 9, 2004
Date

FOR THE RESPONDENTS:



Reginald M. Turner, Jr., Esq.
Counsel for Fannie Lou Hamer PAC

05/25/04
Date

4367.529.51.42