



FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, DC 20463

Case Number: ADR 218 & ADR 217
Source: MUR 5554 & MUR 5498
Case Name: Case for Congress

NEGOTIATED SETTLEMENT

This matter, ADR 218/MUR 5554, was initiated by a signed, sworn and notarized complaint filed by Ethan Gabriel. Following a review of the matter 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 James H. Case on behalf of Case for Congress and James H. Case, Treasurer (the "Respondents" or the "Committee"). 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 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. Respondents have voluntarily entered into this agreement with the Commission.
3. The complaint alleged that Respondents failed to include appropriate disclaimer notices on campaign material including campaign signs, banners, literature and web site. The complainant contends that disclaimers were missing from hundreds of yard signs, dozens of banners, books distributed by the campaign and from the Committee's web site. The Complainant further contends that despite receiving a similar complaint, i.e., MUR 5498, in July '04 about the absence of disclaimer notices on the Committee's signs and banners, Respondents continued to ignore the law.
4. Whenever a political committee makes a disbursement for the purpose of financing any communication through any outdoor advertising facility, mailing, or any other type of general public political advertising, *inter alia*, or whenever any person makes a disbursement for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate such communication if paid for and authorized by a candidate, an authorized political committee of a candidate, among others, shall clearly state that the communication has been paid for by such authorized political committee. 2 U.S.C. § 441d(a) and 11 C.F.R. §§ 110.11(a), and (c).

5. Respondents acknowledged that some of the campaign material distributed by the Committee did not contain disclaimer notices. Specifically:
 - (a) Respondents mistakenly concluded that yard signs, some of which were reportedly from the candidate's 2002 campaign, were not "printed material" as identified in the Commission's regulations. After receiving the complaint, Respondents included disclaimers on all yard signs which were manufactured after receiving the complaint and placed decals on yard signs which had already been printed but not yet distributed. Respondents asserted that it was difficult to locate all signs, which had been previously distributed in order to place disclaimer decals on them;
 - (b) Respondents likewise mistakenly concluded that "banners" were not included in the description of "printed material". After receiving the complaint, Respondents correctly modified all banners, which were manufactured beforehand;
 - (c) Literature, including cookbooks, distributed by the Committee mistakenly were not viewed by Respondents as the type of material intended to be covered by the Commission's regulations;
 - (d) Finally, Respondents argued that there can be no confusion regarding the Committee's web site since it contains a phrase advising that it was "copyrighted by the Case/Congress Campaign committee". Nevertheless, the Committee amended their web site adding the appropriate disclaimer notice.
6. In order to resolve this matter and avoid similar errors in the future, Respondents agree to: 1) commit to correcting, to the best of their ability, existing yard signs and banners that do not contain the appropriate disclaimer notices; 2) amend the Committee's web site to advise all supporters to either discard old yard signs or to affix disclaimer stickers to any yard signs in their possession; 3) appoint an appropriate representative of the Committee to attend, within twelve months of the effective date of this agreement, a FEC seminar on federal election campaign finance reporting requirements; 4) establish and maintain a resource file on the FECA to provide guidance to the staff on Federal election reporting requirements; and 5) pay a civil penalty of \$1,500.
7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
9. 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 and/or forward any outstanding civil penalty to the U.S. 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 except for item three (3) which shall become effective in the time period listed in paragraph six (6).

11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 218/MUR 5554 and effectively resolves this matter. It is also understood, that the foregoing terms of settlement resolves the other complaint, i.e., ADR 217/MUR 5498, filed against Respondents by another complainant but, addressing the same issues and identical violations of the FECA. No other statements, promises 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

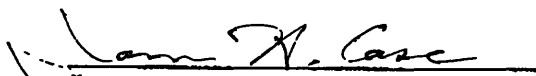


Allan D. Silberman

March 23, 2005

Date

FOR THE RESPONDENT:



James H. Case, Treasurer
On behalf of Case for Congress

March 7, 2005

Date