



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

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2005 JUL 13 P 3: 51

July 11, 2005

**MEMORANDUM**

TO: The Commission

THROUGH: James A. Pehrkon  
Staff Director

FROM: Allan D. Silberman  
Director, ADR Office

SUBJECT: ADR 270 – Marc J. Millican for U.S. Senate and Marc J. Millican, Treasurer  
Recommendation to Assign Case

**SENSITIVE**

On June 29, 2005, the ADR Office received from OGC/CELA MUR 5606 to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case, ADR 270, is appropriate for ADR and recommend that it be assigned to the ADR Office.

**Summary:** Complainant contends that Respondents, i.e, Marc J. Millican for U.S. Senate and Marc J. Millican, Treasurer, after exceeding the \$5,000 in expenditures, failed to register with the Commission, report contributions, file a statement of candidacy and organization, or designate a principal committee. The complaint also contends that Respondents spent \$57,187 on radio and TV advertisements in August 2004 and was obligated at that time to register with the FEC. Complainant also sees a potential "knowing and willful" violation on the part of Respondents. Respondents' reply advises that, "all required documents have been filed with the FEC". They deny each allegation and "move for dismissal of the complaint".

Attached for the Commission's review is the *ADR Case Analysis Report* on ADR 270 along with a copy of the EPS and ADR Rating Sheets. The *Case Analysis Report* includes an analysis of the case and a description of the issues that the ADR Office (ADRO) anticipates addressing if the case is assigned to ADR. In addition, the Report has been reviewed by OGC, which concurs in the description of the case. If the Commission concurs in the recommendation to assign the matter to ADRO, the above case description will be provided to Respondents as part of ADRO's notification package sent to Respondents.

**Recommendation:**

1. Assign ADR 270/MUR 5606 to the ADR Office.

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## ADR CASE ANALYSIS REPORT

ADR Case: 270

Respondents: Marc J. Millican for U.S. Senate  
Marc J. Millican, Treasurer

MUR: 5606

Respondents Rep: Marc Millican

OGC Case Opened: 11-2-04

Committee Type: Authorized

Date Forwarded to ADRO: 6-29-05

Committee Name: Marc Millican for US Senate

Date Reviewed by ADRO: 7-7-05

Election Cycle: 2004

District #/or State: Alaska - Senate

Election: Lost

Complainant: Bridget Gallagher, Ex.Dir.  
Alaska Democratic Party

**Summary of Complaint:** Complaint contends that Respondents, after exceeding the \$5,000 in expenditures, failed to register with the Commission, report contributions, file a statement of candidacy and organization, or designate a principal committee. The complaint also contends that Respondents spent \$57,187 on radio and TV advertisements in August 2004 and was obligated at that time to register with the FEC. Complainant also sees a potential "knowing and willful" violation on the part of Respondents.

**Respondents' Reply:** Respondents' reply advises that, "all required documents have been filed with the FEC". They deny each allegation and "move for dismissal of the complaint".

**Analysis:** Within fifteen days of becoming a candidate, each candidate shall designate a campaign committee and file a Statement of Candidacy. 2 U.S.C. § 432(e)(1) and 11 C.F.R. § 101.1(a) Principal committees are obligated to file a Statement of Organization within 10 days of designation of candidacy. 2 U.S.C. § 433(a) and 11 C.F.R. § 102.1(a). Treasurers of committees are required to file reports of the amount of receipts and disbursements. 2 U.S.C. § 434(a) and 11 C.F.R. §§ 104.1(a), 104.3(a) and (b). There is no mention in the record or Respondents' files of any "testing the water" activity, therefore, Respondents records must speak for themselves. Respondents filed a Statement of Candidacy with the Secretary of the Senate on October 31, 2004, which was recorded on November 4, 2004. The complaint was notarized three days earlier on October 28, 2004 and received in the Commission's offices on November 2, 2004. At the time of Complainant's review of Respondents' files with the Commission, Respondents had not filed their initial reports. A subsequent review of Respondents initial disclosure report, filed November 4, 2004, disclosed considerable campaign related activity in 2004 including: disbursements for printing beginning in July (\$10,000 plus); fee for attendance to a Leadership Institute in Washington D.C. in April; TV and radio advertisement in June (\$15,000); printing of yard signs in July (\$5,600); fee to the State

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Division of Elections in August; fee to appear at the State Fair in August; costs in September related to nominating petitions; fees to a media consultant in September (\$80,000); and bulk mailing in September (\$15,000). Respondents' expenditures, totaling in excess of \$125,000, depict an array of campaign-related disbursements from an individual who is actively engaged in campaigning for elective office.

**Issue:**

- Designation of Candidacy, 2 U.S.C. § 432(e)(1) and 11 C.F.R. § 101.1(a)
- Registration of Campaign Committee, 2 U.S.C. § 433(a) and 11 § C.F.R. 102.1(a)
- Campaign Committee Reporting of Receipts and Disbursements, 2 U.S.C. § 434(a), 11 C.F.R. §§ 104.1(a) and 104.3(a) and (b)

**Recommendation: Assign to ADR**

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