



**Federal Election Commission  
Washington, DC 20463**

May 25, 2006

James F. Merrill, Esq.  
Devine Millimet  
111 Amherst Street  
Manchester, New Hampshire 03101

Re: ADR 305  
New Hampshire Republican State Committee and Robert Scott, Treasurer

Dear Mr. Merrill:

Enclosed is the signed copy of the agreement resolving the referral initiated on November 17, 2005 with the Federal Election Commission ("FEC/Commission") involving the New Hampshire Republican State Committee and Robert Scott, Treasurer ("Respondents"). The agreement for ADR 305 (RR 05L-62) was approved by the Commission on May 24, 2006 – the effective date of the agreement.

Note that paragraph 9 of the agreement specifies that Respondents shall comply with the terms of this settlement within thirty (30) days of the effective date of the agreement. Please forward to this office, a statement confirming Respondents' compliance with the terms listed in paragraph 6 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 6.

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate your

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assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,

Lynn M. Fraser, Assistant Director  
Alternative Dispute Resolution Office  
202-694-1665

Enclosure: Agreement

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**Federal Election Commission  
Washington, DC 20463**

Case Number ADR 305

Source. RR 05L-62

Case Name New Hampshire Republican State Committee

**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 James F. Merrill, Esq., representing the New Hampshire Republican State Committee and Robert Scott, Treasurer ("the Committee" or "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. The Reports Analysis Division ("RAD") referred Respondents due to a failure to file two (2) 24-Hour Notices to support three (3) independent expenditures totaling \$68,965 made after the 20<sup>th</sup> day, but more than 24 hours, before the 2004 General Election. RAD stated that the Committee filed an Amended 2004 30 Day Post-General Report on April 7, 2005, that included a Schedule E disclosing three (3) independent expenditures made on behalf of two (2) federal candidates. RAD also indicated that the Committee had been sent two Prior Notices on February 2, 2004, and August 27, 2004, that listed the official filing dates for monthly filers during the 2004 calendar year, and included a section titled 48-Hour and 24-Hour Reports on Independent Expenditures.

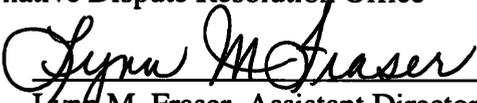
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4. The FECA requires any political action committee or party committee that makes independent expenditures in connection with an election may also have to file 48-Hour or 24-Hour notices. The 24-Hour reporting requirement is triggered each time the committee makes independent expenditures aggregating \$1,000, or more, after the 20<sup>th</sup> day, but more than 24 hours, before the day of the election. 2 U.S.C. § 434(g), 11 C.F.R. §§ 104.4(b)-(c).
5. Respondents acknowledge an inadvertent violation of FECA, due to the person responsible for FEC reports being inexperienced with federal campaign activity. The Committee asserts that the Amended 2004 30 Day Post-General Report contained an error, and only two (2) independent expenditures were made requiring 24-Hour Notices. Respondents went on to state that the \$10,264.76 expenditure to O'Neil, Griffin Bodi was for a general "vote Republican" billboard, and not in support Senator Judd Gregg as erroneously reported. Respondents confirm that another Amended 2004 30 Day Post-General Report has been filed to correct this error. Respondents argue that they have taken numerous steps to increase compliance, such as having the Executive Director attend, and participate in, extensive training on FEC reporting and compliance.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) create the position of FEC Compliance Officer through amendment of its bylaws; (b) prepare a policy concerning the FEC Compliance Officer position which will set forth the responsibilities of this position, and establish guidelines for training successor compliance officers, to ensure smooth transition periods; (c) send the new FEC Compliance Officer to the FEC compliance seminar on May 12, 2006; and (d) pay a civil penalty of \$4,500.
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.
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 agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms within thirty (30) days from the effective date of this agreement.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 305 (RR 05L-62), and effectively resolves the issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

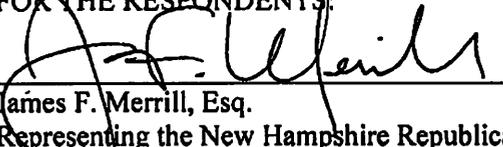
FOR THE COMMISSION:

Allan D. Silberman, Director  
Alternative Dispute Resolution Office

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

May 24, 2006  
Date Signed

FOR THE RESPONDENTS:

  
James F. Merrill, Esq.  
Representing the New Hampshire Republican  
State Committee and Robert Scott, Treasurer

May 16, 2006  
Date Signed

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