



**Federal Election Commission
Washington, DC 20463**

March 26, 2007

Andrew P. Pugno, Esq.
Law Offices of Andrew Pugno
101 Parkshore Drive #100
Folsom, CA 95630

Re: ADR # 346
Eric Roach for Congress and David Bauer, Treasurer

Dear Mr. Pugno:

Enclosed is the signed copy of the agreement resolving the complaint filed on April 2, 2006 with the Federal Election Commission ("FEC/Commission") against Eric Roach for Congress and David Bauer, Treasurer ("Respondents"). The agreement for ADR 346 (MUR 5725) was approved by the Commission on March 22, 2007 – 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 Respondent's 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.

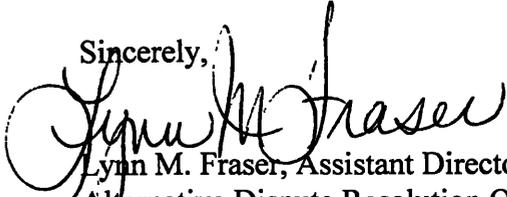
As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports 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 brought to the attention of the FEC by Jess Durfee regarding an alleged violation of the federal election campaign laws. I

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appreciate your 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 346
Source MUR 5725
Case Name: Eric Roach for Congress

NEGOTIATED SETTLEMENT

This matter was initiated by a signed, sworn and notarized complaint filed by the San Diego County Democratic Party. 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 Federal Election Commission ("Commission") entered into negotiations with Andrew P. Pugno, Esq., representing Eric Roach for Congress and David Bauer, in his official capacity as Treasurer, and Eric Roach ("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 complaint. 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 guided by "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. Complainant alleges that Respondents, while campaigning for the April 11th Special Election in California's 50th Congressional District, distributed mailers that failed to include a disclaimer as required. The mailers resemble a handwritten personal note on stationary belonging to Meg Roach, the candidate's wife. The mailer advocates Eric Roach's candidacy, but fails to include a disclaimer that the Committee paid for the communication.
4. The FECA requires that all public communications for which a political committee makes a disbursement must include a disclaimer. If the communication is paid for and authorized by a candidate, an authorized committee of a candidate, or an agent of either of the foregoing, the disclaimer must clearly state that the communication has been paid for by the authorized political committee. 2 U.S.C. § 441d, 11 C.F.R. § 110.11.

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5. Respondents contend that the inadvertent omission of a disclaimer on this one communication was an unintentional and isolated occurrence, and immediately remedied. Respondents assert that, of the twenty-three (23) different mailers produced and mailed by the Committee, the mailer at issue was the only one to inadvertently omit a disclaimer. Respondents also assert that, upon noticing the omission, the Committee took immediate corrective action to add the disclaimer to the majority of the eighty-five thousand (85,000) letters before distribution. Finally, Respondents contend that, since the communication appeared as a personal letter from the candidate's wife, there was little or no possibility of confusion among voters about whether the candidate authorized and paid for it.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) work with Commission staff to terminate the committee; and (b) 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.
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 346 (MUR 5725), 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:

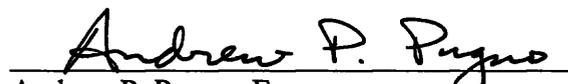
Deborah Kant, Director
Alternative Dispute Resolution Office

By:


Lynn M. Fraser, Assistant Director

3/21/07
Date Signed

FOR THE RESPONDENTS:


Andrew P. Pugno, Esq.
Representing Eric Roach for Congress and
David Bauer, Treasurer/

March 8, 2007
Date Signed