



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

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SENSITIVE

MEMORANDUM

August 23, 2007

TO: The Commission

THROUGH: Patrina M. Clark *pk*
Staff Director *pme*

FROM: John D. Gibson *JDG*
Chief Compliance Officer

Deborah Ruth Kant *DRK*
Director, ADR Office

BY: Lynn M. Fraser *LMF*
Assistant Director, ADR Office

SUBJECT: ADR 387 Hastert for Congress and Dallas Ingemunson, Treasurer
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Work with Commission staff to terminate the Committee,
and pay a civil penalty of \$1,000 (\$146,686.87 in dispute)

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 387 (RR 07L-10). This case was received on April 6, 2007, and was assigned to the ADR Office on May 18, 2007.

SUMMARY: RAD referred Respondents for failing to disclose all financial activity on their 2006 30 Day Post-General Report filed December 7, 2006. Respondents filed an amended 2006 30 Day Post-General Report on December 21, 2006 that disclosed \$146,686.87 in additional debt. Respondents contend that legal fees were incurred late in the campaign, and Committee staff did not understand that the amount should be considered debt pursuant to the FECA. When staff realized their error, the Committee filed an amended report two weeks after the original report to disclose the full extent of their debts and obligations for the reporting period.

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Hastert for Congress and Dallas Ingemunson, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.

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