



**Federal Election Commission
Washington, DC 20463**

September 5, 2007

Stefan Passantino, Esq.
McKenna, Long & Aldridge
303 Peachtree Street, NW Suite 5300
Atlanta, GA 30308

Re: ADR # 387
Hastert for Congress Committee and Dallas Ingemunson, Treasurer

Dear Mr. Passantino:

Enclosed is the signed copy of the agreement resolving the referral initiated on March 29, 2007 with the Federal Election Commission ("FEC/Commission") against Hastert for Congress Committee and Dallas Ingemunson, Treasurer ("Respondents"). The agreement for ADR 387(RR 07L-10) was approved by the Commission on August 29, 2007 – the effective date of the agreement.

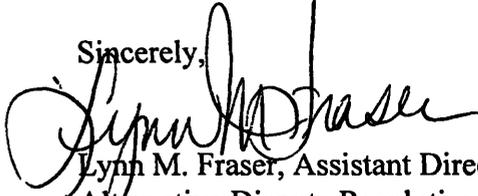
Note the specific time frames for compliance in paragraph 10 of the agreement. Please forward to this office, a statement confirming Respondent's compliance with the terms listed in paragraph 7 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 7. **The civil penalty should be sent to the attention of the Accounting/Finance Office of the FEC. Please note the ADR case number on the civil penalty check to ensure crediting to the correct case.**

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 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.

27190272774

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 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

cc: Angela Dillard, Finance and Accounting Office

27190272775



Federal Election Commission
Washington, DC 20463

Case Number ADR 387
Source RR 07L-10
Case Name. Hastert for Congress

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 J. Randolph Evans, Esq. and Stefan Passantino, Esq., representing Hastert for Congress and Dallas Ingemunson, in his official capacity as 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 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. The Reports Analysis Division 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.
4. The FECA requires treasurers to disclose the amount and nature of outstanding debts and obligations owed by or to such political committee. 2 U.S.C. § 434(b)(8), 11 C.F.R. § 104.3(d). A debt or obligation, including a loan or written agreement to make an expenditure, the amount of which is over \$500, shall be reported as of the date on which the debt or obligation is incurred, except that any obligation incurred for rent, salary or other regularly reoccurring administrative expense shall not be reported as a debt before the payment due date. If the exact

amount of a debt or obligation is not known, the report shall state that the amount reported is an estimate. Once the exact amount is determined, the political committee shall either amend the report(s) containing the estimate, or indicate the correct amount on the report for the reporting period in which such amount is determined. 11 C.F.R. § 104.11(b).

5. Respondents contend that they filed the amended report in question to reflect receipt of an unusually large invoice for legal expenses, incurred just prior to the General Election, and received just days before the close of the post election reporting period. As the invoice was not due for payment until after the close of the reporting period, Committee staff did not believe the invoice would be considered a *debt* pursuant to the FECA. Respondents assert that they filed the amended 2006 30 Day Post General Report fourteen (14) days after the original report to disclose the legal fees as additional debt.
6. Respondents request the Commission note their consistent compliance with the FECA. In addition, the Congressman recently announced his intention to retire from the United States House of Representatives.
7. Respondents, in an effort to resolve this matter, agree to: (a) work with Commission staff to terminate the Committee; and (b) pay a civil penalty of \$1,000.
8. 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 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.
10. 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.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 387 (RR 07L-10), 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 Ruth Kant, Director
Alternative Dispute Resolution Office

By: *Lynn M. Fraser*
Lynn M. Fraser, Assistant Director

August 29, 2007
Date Signed

FOR THE RESPONDENTS:

Stefan Passantino
J. Randolph Evans, Esq.
Stefan Passantino, Esq.
Representing Hastert for Congress and
Dallas Ingemunson, Treasurer

8/20/07
Date Signed

27190272778