Federal Election Commission
Washington, DC 20463

August 22, 2007

Mark E. Braden, Esq.
Baker & Hostetler
Address1050 Connecticut Avenue, NW
Washington, DC 20036

Re: ADR 367 and ADR 400
Stop Union Political Abuse and Linda Chavez, Treasurer

Dear Mr. Braden:

Enclosed is the signed copy of the agreement resolving the referrals initiated on November 27, 2006 and May 22, 2007 with the Federal Election Commission ("FEC/Commission") against Stop Union Political Abuse and Linda Chavez, Treasurer ("Respondents"). The agreement for ADR 367 (RAD 06L-32) and ADR 400 (RR 07L-16) were approved by the Commission on August 20, 2007 – the effective date of the agreement.

Note the specific time frames for compliance in paragraph 13 of the agreement. Please forward to this office, a statement confirming Respondent's compliance with the terms listed in paragraph 10 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 10.

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 referrals, 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 these matters. 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 these matters 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 assistance in effectively resolving these matters and bringing the cases to a mutually acceptable conclusion.

Sincerely,

Lynn M. Fraser

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 Numbers ADR 367 & ADR 400
Sources RAD 06L-32 & RR 07L-16
Case Name Stop Union Political Abuse

NEGOTIATED SETTLEMENT

This matter was initiated 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 E. Mark Braden, Esq. and Paula Edwards, C.P.A., representing Stop Union Political Abuse and Linda Chavez, in her 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 these referrals. 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. In ADR 367 (RAD 06L-32), the Reports Analysis Division (RAD) referred Respondents for failing to timely file three (3) 48-Hour Notices. The Notices should have been filed for eight (8) independent expenditures totaling $39,117.37 made between January 1st and the 20th day before the 2006 Senate Primary Election held in the State of New York on September 12, 2006.

4. In ADR 400 (RR 07L-16), RAD referred Respondents for failing to disclose a complete report of the Committee's receipts on its 2004 30 Day Post-General Report. Respondents filed their original 2004 30 Day Post-General Report on December 2, 2005. Respondents filed an amended 2004 30 Day Post-General Report on November 6, 2006 that disclosed additional receipts of $68,550.23.

5. In addition, in ADR 400 RAD referred Respondents for failing to timely file two (2) 48-Hour Notices totaling $33,368.14 to support five (5) independent expenditures

made between January 1st and the 20th day before the 2006 Primary Election in the State of New York on September 12, 2006.

6. A person, including a political committee, that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours. After a person files an initial report, the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates. 2 U.S.C. § 434(g), 11 C.F.R. § 104.4(b).

7. Treasurers of political committees are required to report all financial activity, including all receipts, pursuant to the FECA. 2 U.S.C. §§ 434(a)(1), 434(b)(2), 11 C.F.R. §§ 104.1, 104.3(a).

8. Respondents contend that misunderstanding of what constitutes an independent expenditure, as well as miscommunications between Committee staff and the vendor preparing the reports, led to many of the errors or omissions. In addition, Respondents contend that some of the expenditures disclosed on Schedule E were not, in fact, independent expenditures under FECA, and amended reports will be filed to correct the record.

9. Respondents assert that, after review by compliance specialists, new financial procedures were developed to ensure reconciliation between Committee financial activity and the reports filed with the Commission.

10. Respondents, in an effort to avoid similar errors in the future, agree to: (a) complete an internal audit from January 1, 2006 to the present within ninety (90) days of the effective date of this agreement; (b) develop a Compliance Manual for Committee staff use; and (c) pay a civil penalty of $5,000.

11. Respondents agree that all information provided to resolve these matters 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.

12. 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.

13. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with term (a) within ninety (90) days of the effective date of this agreement. Respondents shall comply with terms (b) and (c) within thirty (30) days of the effective date of this agreement.

14. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 367 (RAD 06L-32) and ADR 400 (RR 07L-16), 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 20, 2007
Date Signed

FOR THE RESPONDENTS:

E Mark Braden
E. Mark Braden, Esq.
Representing Stop Union Political Abuse and
Linda Chavez, Treasurer

Aug. 14 2007
Date Signed

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