



Federal Election Commission  
Washington, DC 20463

July 24, 2007

Miguel DeGrandy, Esq  
Douglas Entrance  
800 Douglas Road # 850  
Coral Gables, FL 33134

Re: ADR 405 (MUR 5902)

Dear Mr. DeGrandy:

On February 23, 2007, the Federal Election Commission ("FEC" or "Commission") notified Lincoln Diaz-Balart for Congress Committee of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with the notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and take no further action against the Respondents Lincoln Diaz-Balart for Congress Committee and Jose Riesco, Treasurer. In its memorandum to the Commission, dated July 12, 2007, this office stated:

**Summary:** The FECA requires that political committees report information relating to the identification of each person who contributes over \$200, including the contributor's name, address, occupation, and the name of his employer. In this case, Complainants allege that Respondents (or "the Committee") failed to report this information or "itemize" contributions for 32 individuals in the Committee's 2006 Pre-General Report. In the original report, Complainants assert that the Committee itemized contributions for 28 individuals, and in a subsequent amended Pre-General Report, the Committee itemized contributions for 60 individuals. Complainants contend that the missing itemization masked the identity of the 32 individuals, including the husband of a colleague of Lincoln Diaz-Balart, and contend that these omissions appear to be knowing and willful.

In response, the Committee explains that the missing itemization for the 32 individuals was an inadvertent error. Further, the Committee asserts that it amended the report about two months after the original report, and it filed the amended report on its own initiative after receiving a RFAI on an unrelated issue, and after conducting an exhaustive review of all its filings in the election cycle. The Committee also explains that in response to earlier reporting issues prior to

2001, it hired the current treasurer who is a certified public accountant and that it retained (and continues to retain) the services of a professional campaign management company. Respondents assert that under the auspices of its treasurer, they have filed 47 reports which have not been challenged. Respondents deny any knowing and willful conduct.

Accordingly, the Commission closed its file in this matter on July 19, 2007.

The FEC is obligated by federal regulations to make a finding to terminate its proceedings public, as well as the basis therefore. 11 C.F.R. § 111.20(b). In addition, the Commission will also place on the record copies of the complaint, correspondence exchanged between Respondents and the Commission, and reports prepared for the Commission by this office to assist in its consideration of this matter. Accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

If you have any questions regarding this matter please be in touch. My telephone number is 202-694-1661.

Sincerely,



Deborah Ruth Kant, Director,  
Alternative Dispute Resolution Office

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