



**Federal Election Commission
Washington, DC 20463**

November 30, 2007

Neil Reiff, Esq.
Sandler, Reiff & Young
50 E Street, SE, Suite 300
Washington, DC 20003

Re: ADR # 409
Blue America PAC and Howard Klein, Treasurer

Dear Mr. Reiff:

Enclosed is the signed copy of the agreement resolving the referral initiated on July 20, 2007 with the Federal Election Commission ("FEC/Commission") against Blue America PAC and Howard Klein, Treasurer ("Respondents"). The agreement for ADR 409 (RAD 07L-25) was approved by the Commission on November 19, 2007 – the effective date of the agreement.

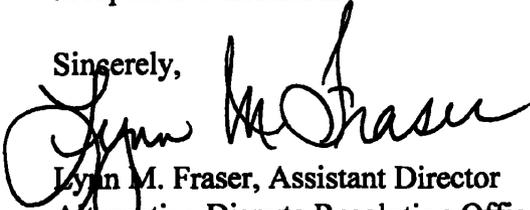
Note the specific time frames for compliance in paragraph 9 of the agreement. Please forward to this office, a statement confirming Respondent's compliance with the terms listed in paragraph 6 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 6 and contain the ADR caption and case number. **The civil penalty payment should be sent to the attention of the Accounting/Finance Office of the FEC. The civil penalty under the agreement is due on December 19, 2007. Please put the ADR case number on the civil penalty check as well, 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.

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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
Room 819

20190227E93



Federal Election Commission
Washington, DC 20463

Case Number: ADR 409
Source: RAD 07L-25
Case Name: Blue America PAC

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 Neil Reiff, Esq. representing the Blue America PAC and Howard Klein, 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:

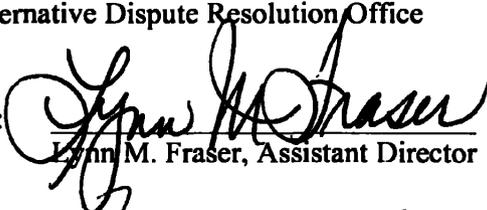
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures ("ADR") is guided by "The Administrative Dispute Resolution Act 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 (RAD) referred Respondents for failing to file six (6) 24 Hour Notices totaling \$25,005.84 to support six (6) independent expenditures disclosed on the Committee's 2006 30 Day Post-General Report. A Prior Notice had been sent to the Committee on October 2, 2006 referencing report filing dates, as well as a section titled *48- and 24-Hour Reports on Expenditures*.
4. A person, including a political committee, that makes or contracts to make independent expenditures aggregating \$1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours. 2 U.S.C. § 434(g)(1)(A), 11 C.F.R. § 104.4(c).
5. Respondents acknowledge inadvertently failing to send 24 Hour Notices. Respondents contend that they were an all volunteer committee, and while they attempted to comply with the FECA, they were unaware of the necessity of filing 24-Hour Notices for independent expenditures such as these.

6. Respondents, in an effort to avoid similar errors in the future, retained the services of a compliance and reporting specialist, and developed financial procedures for use by Committee staff. In addition, Respondents agree to: (a) develop and maintain a compliance manual for use by Committee staff; (b) participate in a telephonic training with Commission staff specifically tailored to the type of Committee, as well as relevant reporting issues; and (c) pay a civil penalty of \$900.
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 409 (RAD 07L-25), 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:

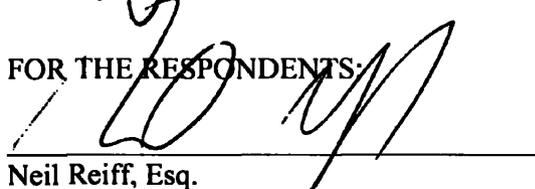
Deborah Ruth Kant, Director
Alternative Dispute Resolution Office

By:


Lynn M. Fraser, Assistant Director

11/19/07
Date Signed

FOR THE RESPONDENTS:


Neil Reiff, Esq.
Representing Blue America PAC and
Howard Klein, Treasurer

11/6/07
Date Signed

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