



Federal Election Commission  
Washington, DC 20463

August 3, 2009

Ryan B. Israel  
Butera and Andrews  
1301 Pennsylvania Ave., NW  
Washington, DC 20004

Re: ADR 493 (RAD 09L-17)  
Texas Bankers Association – Bankers PAC and John M. Heasley, Treasurer

Dear Mr. Israel:

Enclosed is the signed copy of the agreement resolving referral initiated on April 30, 2009 by the Federal Election Commission (“FEC/Commission”) involving Texas Bankers Association – Bankers PAC and John M. Heasley, Treasurer (“Respondents”). The agreement for ADR 493 (RAD 09L-17) was approved by the Commission on July 22, 2009 – the effective date of the agreement.

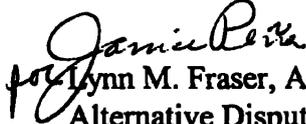
Note the specific time frames for compliance in paragraph 6 of the agreement. **Please forward to this office, a statement confirming Respondent’s compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 6, and contain the ADR caption and case number. **Your civil penalty payment in the amount of \$1500.00 was received on July 14, 2009.**

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 complaint/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, Acting Director  
Alternative Dispute Resolution Office  
202-694-1665

Enclosure: Agreement

cc: Ken Pezzella, Finance and Accounting Office  
Room 819

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**Federal Election Commission  
Washington, DC 20463**

Case Number: ADR 493  
Source: RAD 09L-15  
Case Name: Texas Bankers Association-  
Bankers Political Action Committee

### **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 Ryan Israel, Esq., representing the Texas Bankers Association – Bankers Political Action Committee and John M. Heasley, 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 disclose all financial activity on their 2007 August Monthly Report. The Committee filed its original 2007 August Monthly Report on August 20, 2007. On August 29, 2008, the Committee filed an amended 2007 August Monthly Report that disclosed additional disbursements totaling \$125,000.
4. Treasurers of political committees are required to report all financial activity, including all disbursements, pursuant to the FECA. 2 U.S.C. §§ 434(a)(1), 434(b)(4), 11 C.F.R. §§ 104.1, 104.3(b).
5. Respondents acknowledge an omission which they discovered during a voluntary internal audit conducted in 2008. Respondents contend the audit identified some errors which were the result of both software malfunctions and a clerical data input mistake. The Committee took immediate steps, in addition to filing the amended report, to ensure future compliance, such as revising financial procedures, replacing

the individual who made the error with staff more familiar with the FECA, and requesting review, by accounting staff, of all reports prior to filing.

6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) send a representative to a FEC reporting conference within twelve (12) months of the effective date of this agreement; (b) appoint an on-site compliance specialist within thirty (30) days of the effective date of this agreement; (c) develop a compliance manual within thirty (30) days of the effective date of this agreement; and (d) pay a civil penalty of \$1,500 within 30 days of the effective date of this agreement.
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 of this agreement as set out in paragraph 6 above.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 493 (RAD 09L-15), and resolves those 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:

Lynn M. Fraser, Acting Director  
Alternative Dispute Resolution Office



7-22-09  
Date Signed

FOR THE RESPONDENTS:



\_\_\_\_\_  
Ryan Israel, Esq.  
Representing the Texas Bankers Association –  
Bankers Political Action Committee and  
John M. Heasley, in his official capacity as Treasurer

July 1, 2009  
Date Signed