



Federal Election Commission
Washington, DC 20463

December 15, 2011

James E. Brown
Doney Crowley Payne & Bloomquist PC
PO Box 1185
Helena, MT 59624-1185

Re: ADR 588 (RAD 11L-22)
Montana Republican State Central Committee and Debra A. Brown, Treasurer

Dear Mr. Brown:

Enclosed is the signed copy of the agreement resolving the referral initiated on August 19, 2011 by the Federal Election Commission ("FEC/Commission") involving the Montana Republican State Central Committee and Debra A. Brown, Treasurer ("Respondents"). The agreement for ADR 588 (RAD 11L-22) was approved by the Commission on December 13, 2011 – 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. The civil penalty payments should be sent to the attention of the Accounting/Finance Office of the FEC. The first payment of the civil penalty under the agreement is due on or before January 13, 2012. The second and final payment of the civil penalty is due on or before February 13, 2012.¹ 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

¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

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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.

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, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Gwen Holmes, Finance and Accounting Office
Room 819

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**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 588
Source: RAD 11L-22
Case Name: Montana Republican
State Central 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 James E. Brown, representing the Montana Republican State Central Committee and Debra A. Brown, 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 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 timely file one (1) 24-Hour Notice to support one (1) independent expenditure totaling \$40,000 made after the 20th day before, but more than 24 hours prior to, the 2010 General Election.
4. A Committee must disclose the name and address of each person who receives any disbursement during the reporting period in an aggregate amount or value in excess of \$200 within the calendar year (or election cycle in the case of an authorized committee of a candidate for Federal office) in connection with an independent expenditure by the reporting committee, together with the date, amount, and purpose of any such independent expenditure and a statement which indicates whether such independent expenditure is in support of, or in opposition to, a candidate, as well as the name and office sought by such candidate, and a certification, under penalty of

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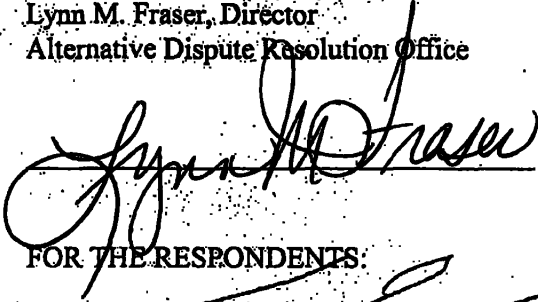
perjury, whether such independent expenditure is made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee. 2 U.S.C. § 434(b)(6)(B)(iii), 11 C.F.R. § 104.4. A person, including a political committee, that 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 file one 24 Hour Notice timely. Respondents contend, however, that they reported \$60,000 in disbursements for independent expenditures, but failed to file the relevant 24 Hour Notice timely. The Committee notes that it selected a new Treasurer to ensure compliance.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) develop and implement a policy that all required FEC Notices for independent expenditures shall be presented to the committee for review prior to an independent expenditure being made within thirty (30) days of the effective date of this agreement; (b) enter into a two-year contract with a vendor experienced in campaign finance reporting to ensure compliance within sixty (60) days of the effective date of this agreement; and (c) pay a civil penalty of \$2,500 in two payments of \$1,250 each, with the first payment due within thirty (30) days of the effective date of this agreement, and the second payment due thirty (30) days following the first payment.
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 588 (RAD 11L-22), 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.

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FOR THE COMMISSION:

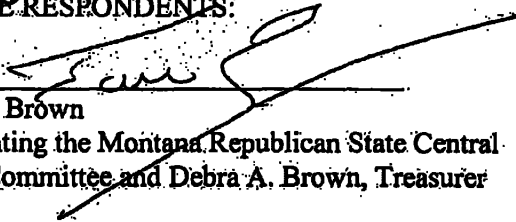
Lynn M. Fraser, Director
Alternative Dispute Resolution Office



12/13/2011
Date Signed

FOR THE RESPONDENTS:

James E. Brown
Representing the Montana Republican State Central
Committee and Debra A. Brown, Treasurer



11/9/11
Date Signed

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