



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 18, 2013

Frederick A. Hodnett, Jr., Treasurer
Powell for Congress
421 Branchway Road
Richmond, VA 23235

Re: ADR 648 (RAD 13L-24)
Powell for Congress and Frederick A. Hodnett, Jr., Treasurer

Dear Mr. Hodnett:

The Federal Election Commission (FEC or Commission) referred a compliance issue to the FEC's Alternative Dispute Resolution Office (ADR Office) for processing. The referral by the Reports Analysis Division (RAD) was based on a review of reports filed by Powell for Congress which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended

The FEC established the ADR Program to provide an informal means for resolving matters that come before the Commission and to facilitate negotiations directly with Powell for Congress and Frederick A. Hodnett, Jr., Treasurer (Respondents or the Committee). The ADR Program provides Respondents with an opportunity to negotiate settlement of a matter that is mutually agreeable. The negotiations occur prior to any Commission consideration of whether there is reason to believe a violation has occurred. If negotiations are successful, the resulting settlement concludes the matter.

The Commission, in referring the matter to the ADR Office, determined that the case is eligible for processing in the ADR program. If Respondents decide to participate in the ADR Program, you must: 1) indicate in writing a willingness to have your case submitted for ADR processing; 2) agree to participate in the bilateral interest based negotiations; and 3) waive the statute of limitations while the matter is being processed under the FEC's ADR program.

The issues referred to the ADRO, and the focus of our subsequent negotiations, are summarized as follows:

SUMMARY: RAD referred Powell for Congress and Frederick A. Hodnett, Jr., Treasurer (Respondents or the Committee) for failing to disclose all financial activity on its 2012 12 Day Pre-General Report. The Committee filed its original 2012 12 Day Pre-General Report on October 25, 2012. An Amended 2012 12 Day Pre-General Report was filed on January 25, 2013 that disclosed additional disbursements of \$80,000.

FEDERAL ELECTION COMMISSION, ALTERNATIVE DISPUTE RESOLUTION OFFICE
999 E STREET N.W., WASHINGTON, DC 20463
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Respondents, in a Form 99 electronic response filed April 11, 2013, stated that the increase in activity occurred due to the Committee finding and correcting inaccuracies in reports filed with the Commission.

If after reviewing this letter and the enclosed ADR Frequently Asked Questions, which describe the ADR program, Respondents would like to participate in ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR form. **Failure to respond affirmatively within fifteen (15) business days of receipt of this letter will be taken as a notice of disinterest in the program and your case will be dropped from further consideration for ADR.** In that event, your case will be sent to the FEC's Office of General Counsel for further processing, and the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as **ADR 648**. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADRO at my direct dial as indicated below

Sincerely,

Lynn M. Fraser, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosures: ADR Frequently Asked Questions
Commitment to Submit Matter to ADR
Designation of Representative/Counsel