



Federal Election Commission  
Washington, DC 20463

December 5, 2014

Ashley Epperson Bailey, Esq.  
Crowell & Morning LLP  
1001 Pennsylvania Avenue NW  
Washington, DC 20004

14-00012-00000-00000  
Re: ADR 720 (RAD 14L-16)  
American Iron and Steel Institute PAC and Thomas J. Gibson, Treasurer

Dear Ms. Bailey:

Enclosed is the signed copy of the agreement resolving the referral initiated on May 22, 2014 by the Federal Election Commission (“FEC/Commission”) involving the American Iron and Steel Institute PAC and Thomas J. Gibson, Treasurer, (“Respondents”). The agreement for **ADR 720 (RAD 14L-16)** was approved by the Commission on December 2, 2014 – 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 certifying 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 payment should be sent to the attention of the Accounting/Finance Office of the FEC.** The civil penalty under the agreement is due on or before January 2, 2015.<sup>1</sup> **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

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<sup>1</sup> 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.

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 and Adam Liu, Finance and Accounting Office  
Room 819



**Federal Election Commission  
Washington, DC 20463**

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Case Number: ADR 720  
Source: RAD 14L-16  
Case Name: American Iron and Steel  
Institute Political Action Committee (Steel 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 Ashley Epperson Bailey, Esq., representing the American Iron and Steel Institute Political Action Committee (Steel PAC) and Thomas J. Gibson, 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 52 U.S.C. § 30109 (formerly 2 U.S.C. § 437g).
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred Respondents for receiving misdeposited funds totaling \$47,997.87 during the 2012 calendar year and \$21,793.17 during the 2013 calendar year. These funds were originally intended for the Committee's connected organization, the American Iron and Steel Institute, and were not remedied within the permissible timeframes. In total, the Committee did not timely refund or transfer-out misdeposits of \$69,791.04 during the 2011-2012 and 2013-2014 election cycles.
4. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, including local, State or Federal offices, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization, to make a contribution or expenditure in connection with any election at which presidential and

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vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices. 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)), 11 C.F.R. § 114.2(a). No candidate or political committee shall knowingly accept any contributions prohibited by the FECA. 52 U.S.C. §§ 30116(f) (formerly 2 U.S.C. § 441a(f)), 11 C.F.R. § 114.2(d).

5. Respondents contend that on October 24, 2013 the Committee filed a Miscellaneous Electronic Submission (Form 99) stating, among other things, that the misdeposit of funds intended for the connected organization, the American Iron and Steel Institute, was inadvertent. The Committee asserted that the identified receipts were the result of errors by an online credit card payment processor and/or the credit card company engaged by the connected organization to handle credit card payments as a result of a request from a restricted class member to make a contribution to the Committee via credit card. Respondents further contend that the misdeposited amounts were refunded in full on Respondents' own initiative to the American Iron and Steel Institute. In addition, at no point, were any of the misdeposited funds contributed to a candidate for federal election, and none were directed to another federal PAC. The Committee also contends that it takes its obligations under the Commission's regulations very seriously, and that it was always Respondents' intention to comply with all applicable laws and regulations. Finally, Respondents assert that, on its own initiative, the American Iron and Steel Institute has undertaken a review of the Committee's by-laws and has assigned new personnel with regulatory compliance experience to work closely with the PAC.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) certify that a comprehensive compliance policy statement has been developed and implemented within sixty (60) days of the effective day of this agreement; (b) certify that a compliance specialist has been designated within thirty (30) days of the effective day of this agreement; (c) certify that a representative of the Committee participated in an FEC conference within twelve (12) months of the effective date of this agreement; and (d) pay a civil penalty of \$5,200 within thirty (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, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.

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10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 720 (RAD 14L-16), 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, Director  
Alternative Dispute Resolution Office

Lynn M. Fraser

12/2/2014

Date Signed

FOR THE RESPONDENTS:

Ashley Epperson Bailey  
Ashley Epperson Bailey, Esq.  
Representing the American Iron and Steel  
Institute Political Action Committee (Steel PAC)  
and Thomas J. Gibson, Treasurer

10/13/14

Date Signed