

## REPORTS ANALYSIS DIVISION REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: November 25, 2014

ANALYST: Maureen Benitz

## I. COMMITTEE:

Texans for a Conservative Majority  
C00542217  
Randy Cubriel, Treasurer  
(12/18/13-Present)  
Mike Scott, Treasurer (12/17/13)  
Randy Cubriel, Treasurer  
(2/28/13-12/16/13)  
P.O. Box 817  
Austin, TX 78767

## II. RELEVANT STATUTE:

52 U.S.C. § 30104(b)(2)  
52 U.S.C. § 30104(g)(2)  
11 CFR § 104.3(a)  
11 CFR § 104.4(b)

## III. BACKGROUND:

**Failure to Provide Supporting Schedules (Failure to Timely File 48-Hour Reports)**

Texans for a Conservative Majority ("the Committee") failed to timely file one (1) 48-Hour Report supporting one (1) independent expenditure totaling \$74,235.36 disclosed on the Amended 2014 12 Day Pre-Primary Report, received May 1, 2014, made up to and including the 20<sup>th</sup> day before the 2014 Primary Election held in the state of Texas (Attachment 3).

Prior Notice listing the official filing dates for Quarterly filers was sent via email to the Committee on December 27, 2013. The notice included a section titled *48- and 24-Hour Reports on Independent Expenditures*, which read:

“Any PAC or Party Committee that makes independent expenditures may have to disclose this activity within 48- or 24-hours based upon the date and amount of the expenditure. See 11 CFR 104.4(b)(2) and (c). See generally, 11 CFR 104.4., the WebPage: [http://www.fec.gov/info/charts\\_ie\\_dates\\_2014.shtml](http://www.fec.gov/info/charts_ie_dates_2014.shtml), or the Campaign Guide. These reports are not required when a PAC or Party Committee makes a contribution directly to a candidate” (Attachment 2).

On February 20, 2014, the Committee filed its 2014 12 Day Pre-Primary Report covering the period from January 1, 2014 through February 12, 2014, which included a Schedule E (Itemized Independent Expenditures) disclosing four (4) independent expenditures totaling \$918,696.36, made in opposition to one (1) federal candidate (Images 14940531545-6).

On April 14, 2014, Keith Davis, a consultant for the Committee, called the Reports Analysis Division (RAD) Analyst to discuss an independent expenditure that the Committee failed to disclose. Mr. Davis said that the independent expenditure was not included on a 48-Hour Report or on the appropriate report as a disbursement. The Analyst advised Mr. Davis to file the 48-Hour Report, even though the election had already occurred. The Analyst also advised Mr. Davis to amend the appropriate report to disclose the disbursement. He said he would file the reports as soon as possible (Attachment 5).

Also on April 14, 2014, the Committee filed one (1) 48-Hour Report to support one (1) independent expenditure, totaling \$74,235.36 disseminated on February 11, 2014 (Image 14960673290).

On April 15, 2014, the Committee filed an Amended 2014 12 Day Pre-Primary Report. The amended report included a Schedule E disclosing five (5) independent expenditures totaling \$992,931.72 made in opposition to one (1) federal candidate. The Committee failed to timely file one (1) required 48-Hour Report to support one (1) independent expenditure totaling \$74,235.36 (Attachment 3, Images 14960712573-5).

On May 1, 2014, the Committee filed an Amended 2014 12 Day Pre-Primary Report. The amended report disclosed no changes to Schedule E from the prior amendment (Images 14941172269-71).

On May 5, 2014, a Request for Additional Information (RAI) was sent to the Committee referencing the Amended 2014 12 Day Pre-Primary Report, received May 1, 2014. Among other issues, the RAI noted the Committee may have failed to timely file one (1) or more of the required 48-Hour Reports for the independent expenditures disclosed on the amended report. A chart was included with the RAI identifying one (1) independent expenditure, totaling \$74,235.36, for which a 48-Hour Report had not been timely filed (Images 14330051346-8).

On May 7, 2014, the Committee submitted a Miscellaneous Electronic Submission ("Form 99") in response to the RFAI referencing the Amended 2014 12 Day Pre-Primary Report, received May 1, 2014, which stated in part:

"Texans for a Conservative Majority (FEC ID# C00542217) is in receipt of your Request for Additional Information dated May 5, 2014, concerning our amended 2014 pre-primary report.

In preparing the 2014 first quarter report, the Committee became aware that although two payments of \$ 74,235.36 had been made to Majority Strategies, only one of these expenditures had been reported.

The committee immediately filed the 48-hour notice for this expenditure, and also amended the [2014] pre-primary report to include this second payment" (Image 14941195058).

Additionally, on May 7, 2014, Mr. Davis called the RAD Analyst to explain that the Committee submitted a Form 99 in response to the RFAI referencing the Amended 2014 12 Day Pre-Primary Report, received May 1, 2014. He stated that the Committee had nothing further to add to the public record about this issue at the time. Further, he requested that any potential enforcement action involving this issue, along with an issue on the 2013 Year-End Report, be considered at one time (Attachment 5).

On June 10, 2014, the RAD Analyst called Mr. Davis regarding the Amended 2014 12 Day Pre-Primary Report, received May 1, 2014. The Analyst stated that the Committee may be referred for further action for the apparent failure to timely file a 48-Hour Report. The Analyst explained that if the Committee had any further information to disclose, it should file another Form 99. Mr. Davis explained that there was no further information to provide (Attachment 5).

Also on June 10, 2014, the RAD Analyst called Randy Cubriel, the Committee Treasurer. The Analyst left a message with Mr. Cubriel's assistant and requested that Mr. Cubriel return the phone call (Attachment 5).

#### **Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)**

Texans for a Conservative Majority ("the Committee") amended its 2013 Year-End Report to disclose additional receipts of \$180,000.00, which were not disclosed on the original report (Attachment 4).

On January 31, 2014, the Committee filed its original 2013 Year-End Report covering the period from July 1, 2013 through December 31, 2013. The report disclosed no receipts on Line 11(a)(i) (Itemized Contributions from Individuals) of the Detailed Summary Page (Image 14940251571).

On February 20, 2014, the Committee filed an Amended 2013 Year-End Report. The report disclosed \$180,000.00 in receipts on Line 11(a)(i) of the Detailed Summary Page, a total increase in receipts during the reporting period of \$180,000.00 (Image 14940531519).

On March 27, 2014, a Request for Additional Information (RFAI) was sent to the Committee referencing the Amended 2013 Year-End Report, received February 20, 2014. Among other issues, the RFAI requested clarification regarding the substantial increase in receipts disclosed on the Amended 2013 Year-End Report, received February 20, 2014 that were not disclosed in the original filing (Image 14330047771).

On May 1, 2014, the Committee filed an Amended 2013 Year-End Report. The report disclosed no change in receipts from the previous amendment (Image 14960869750).

On the same day, the Committee also submitted a Miscellaneous Electronic Submission ("Form 99") in response to the RFAI referencing the Amended 2013 Year-End Report, which stated in part:

"Although the Committee had balanced its books as of the close of the year, the original FEC report inadvertently omitted the information for the donor receipts. The amendment was filed as soon as the Committee became aware of the omission" (Image 14960870445).

On May 5, 2014, the Analyst attempted to contact Randy Cubriel, the Committee Treasurer. The Analyst left a message with Mr. Cubriel's assistant and requested that Mr. Cubriel return the phone call (Attachment 5).

Also on May 5, 2014, the Analyst called Keith Davis, a consultant for the Committee, regarding the Amended 2013 Year-End Report, received February 20, 2014. The Analyst stated that the Committee may be referred for further action to the Commission for the increase in receipts disclosed on the Amended 2013 Year-End Report, received February 20, 2014. The Analyst also informed Mr. Davis that the Committee had the option of submitting another Form 99 to provide additional information on the public record if they wished to do so. The Analyst explained that a message had been left for the Treasurer about this matter and Mr. Davis said he would contact the Treasurer (Attachment 5).

On May 7, 2014, Mr. Davis called the RAD Analyst to request that any potential enforcement action involving this issue, along with an issue on the 2014 12 Day Pre-Primary Report, be handled at one time (Attachment 5).

To date, no further communication has been received from the Committee regarding these matters.

O-Index (2013-2014)													
Cmte. ID: C00542217 Cmte. Name: TEXANS FOR A CONSERVATIVE MAJORITY													
Treasurer Name: CUBRIEL, RANDY Address: PO BOX 817, AUSTIN, TX 78767													
Cmte. Type: V (NON-QUALIFIED NON-PARTY WITH NON-CONTRIBUTION ACCOUNT) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER													
Form Tp	Rpt Tp	AI	Receipt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits & Loans
MS-T			5/1/2014	1	14960870445								
MS-T			5/2/2014	1	14960872980								
MS-T			5/7/2014	1	14941195058								
RQ2	YE	A	3/27/2014	5	14330047771	7/1/2013	12/31/2013	3/27/2014					
RQ2	12P	A	5/5/2014	3	14330051346	1/1/2014	2/12/2014	5/5/2014					
RQ2	12P	N	3/28/2014	5	14330047840	1/1/2014	2/12/2014	3/28/2014					
F3XN	MY	N	7/30/2013	10	13964463058	1/1/2013	6/30/2013		\$0	\$2,225,438	\$30,409	\$2,195,028	\$0
F3XN	YE	N	1/31/2014	13	14940251569	7/1/2013	12/31/2013		\$2,195,028	\$572	\$166,960	\$2,028,640	\$0
F3XA	YE	A	2/20/2014	15	14940531517	7/1/2013	12/31/2013		\$2,195,028	\$180,572	\$174,460	\$2,201,140	\$0
F3XA	YE	A	5/1/2014	15	14960869748	7/1/2013	12/31/2013		\$2,195,028	\$180,572	\$174,460	\$2,201,140	\$0
F3XN	12P	N	2/20/2014	15	14940531532	1/1/2014	2/12/2014		\$2,201,140	\$267,365	\$1,068,402	\$1,400,102	\$0
F3XA	12P	A	4/15/2014	17	14860712568	1/1/2014	2/12/2014		\$2,201,140	\$267,365	\$1,142,637	\$1,325,867	\$0
F3XA	12P	A	5/1/2014	16	14941172256	1/1/2014	2/12/2014		\$2,201,140	\$267,365	\$1,142,637	\$1,325,867	\$0
F3XN	Q1	N	4/15/2014	9	14960713203	2/13/2014	3/31/2014		\$1,325,867	\$115,109	\$117,696	\$1,323,280	\$0
F3XA	Q1	A	5/1/2014	9	14941172278	2/13/2014	3/31/2014		\$1,325,867	\$115,109	\$117,696	\$1,323,280	\$0
F3XN	Q2	N	7/1/2014	10	14941763471	4/1/2014	6/30/2014		\$1,323,280	\$10,180	\$109,812	\$1,223,627	\$0
F3XN	Q3	N	10/7/2014	10	14978083505	7/1/2014	9/30/2014		\$1,223,627	\$15,154	\$117,650	\$1,121,131	\$0
F3XN	12G	N	10/20/2014	5	14951710094	10/1/2014	10/15/2014		\$1,121,131	\$0	\$0	\$1,121,131	\$0
F24N	48		2/11/2014	1	14960386938								
F24N	48		2/3/2014	1	14940327797								
F24N	48		4/14/2014	1	14960673290								
F1A		A	12/18/2013	5	13944214157								
F24N	48		12/18/2013	1	13944214496								
F24N	48		12/20/2013	2	13944253136								
F1A		A	12/17/2013	5	13944067860								
F1		N	2/28/2013	6	13031042729								
F24N	48		1/9/2014	1	14940012351								
F24N	24		2/25/2014	1	14940505994								
Totals									\$2,813,799	\$1,692,667			

O-Index (2011-2012)													
Cmte. ID: C00542217 Cmte. Name: TEXANS FOR A CONSERVATIVE MAJORITY													
Treasurer Name: CUBRIEL, RANDY Address: PO BOX 817, AUSTIN, TX 78767													
Cmte. Type: V (NON-QUALIFIED NON-PARTY WITH NON-CONTRIBUTION ACCOUNT) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER													
Form Tp	Rpt Tp	AI	Receipt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits & Loans
No records were found for this cycle.													

O-Index (2009-2010)													
Cmte. ID: C00542217 Cmte. Name: TEXANS FOR A CONSERVATIVE MAJORITY													
Treasurer Name: CUBRIEL, RANDY Address: PO BOX 817, AUSTIN, TX 78767													
Cmte. Type: V (NON-QUALIFIED NON-PARTY WITH NON-CONTRIBUTION ACCOUNT) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER													

Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
---------	--------	-----	----------	-----	------------	------------	------------	-------------	------------	--------	------	----------	-------	-------	---------------

No records were found for this cycle.



YEAR-END

# REPORT NOTICE

---

FEDERAL ELECTION COMMISSION

---

PARTIES AND PACS

December 27, 2013

## CURRENT REPORT DUE:

### SEMI-ANNUAL & MONTHLY FILERS

REPORT	CLOSE OF BOOKS <sup>1</sup>	REG./CERT. & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
Year-End	12/31/13	01/31/14	01/31/14

[Click here for Supplemental Filing Information \(2013\)](#)

[See Page 2 for 2014 Reporting Schedule](#)

---

<sup>1</sup>These dates indicate the beginning and the end of the reporting period. A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered up through the close of books for the first report due.

## LOOKING AHEAD TO 2014

### QUARTERLY FILING SCHEDULE

REPORT	CLOSE OF BOOKS <sup>1</sup>	REG./CERT. & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
April Quarterly	03/31/14	04/15/14	04/15/14
July Quarterly	06/30/14	07/15/14	07/15/14
October Quarterly	09/30/14	10/15/14	10/15/14
Pre-General <sup>2</sup>	10/15/14	10/20/14	10/23/14
Post-General	11/24/14	12/04/14	12/04/14
Year-End	12/31/14	01/31/15	01/31/15 <sup>2</sup>

### MONTHLY FILING SCHEDULE

REPORT	CLOSE OF BOOKS <sup>1</sup>	REG./CERT. & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
February	01/31/14	02/20/14	02/20/14
March	02/28/14	03/20/14	03/20/14
April	03/31/14	04/20/14	04/20/14 <sup>2</sup>
May	04/30/14	05/20/14	05/20/14
June	05/31/14	06/20/14	06/20/14
July	06/30/14	07/20/14	07/20/14 <sup>2</sup>
August	07/31/14	08/20/14	08/20/14
September	08/31/14	09/20/14	09/20/14 <sup>2</sup>
October	09/30/14	10/20/14	10/20/14
Pre-General	10/15/14	10/20/14	10/23/14
Post-General	11/24/14	12/04/14	12/04/14
Year-End	12/31/14	01/31/15	01/31/15 <sup>2</sup>

**[Click here for Supplemental Filing Information \(2014\)](#)**

<sup>1</sup>These dates indicate the beginning and the end of the reporting period. A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered up through the close of books for the first report due.

<sup>2</sup> Notice that this filing deadline falls on a weekend or federal holiday. Filing deadlines are not extended when they fall on nonworking days. Accordingly, reports filed by methods other than Registered, Certified or Overnight Mail, or electronically, must be received before the Commission's (or for committees supporting only Senate candidates, the Secretary of the Senate Public Records Office's) close of business on the last business day before the deadline.

<sup>3</sup>Required only if committee makes contributions or expenditures in connection with the election during the reporting period.

---

**FOR INFORMATION, CALL: (800) 424-9530 or (202) 694-1100**



## 2013 SUPPLEMENTAL FILING INFORMATION PACs AND PARTY COMMITTEES

**PLEASE NOTE:** The Commission provides reminders of upcoming filing dates as a courtesy to help committees comply with the filing deadlines set forth in the Act and Commission regulations. Committee treasurers must comply with all applicable filing deadlines established by law, and the lack of prior notice does not constitute an excuse for failing to comply with any filing deadline.

### WHO MUST FILE

All Party Committees and PACs (Nonconnected Committees and Separate Segregated Funds) must file either semi-annual or monthly reports in 2013. See 11 CFR 104.5(c). Before a committee can stop filing with the FEC, it must file a termination report with the Commission. See 11 CFR 102.3. Committees must continue to file reports until the Commission notifies them in writing that their termination report has been accepted.

- Web Page: Filing Frequency by Type of Filer

### METHODS OF FILING REPORTS

#### Electronic Filing

Reports filed electronically must be received and validated by the Commission by 11:59 p.m. Eastern Time on the filing deadline. See 11 CFR 104.5(e). See also 11 CFR 104.18 and 100.19.

- Web Page: Electronic Filing Page
- Campaign Guide: Nonconnected Committees (Nonconnected), pp. 51-53 [PDF]; Corporations and Labor Organizations (SSF), pp. 49-51 [PDF]; Political Party Committees (Party), pp. 69-71 [PDF].

#### Paper Filing – Meeting the Filing Deadline

Paper report filing options – Registered, Certified or Overnight or First Class Mail.

See 11 CFR 104.5(e). See also 11 CFR 100.19.

- Web Page: Link to Paper Forms (for downloading and printing)
- Campaign Guide: Nonconnected, pp. 47-48 [PDF]; SSF, pp. 45-46 [PDF]; Party, p. 65 [PDF].

### 2013 REPORTING SCHEDULE

- Web Page: 2013 Reporting Dates Page
- The Record:
  - FEC Record Blog: Reporting
  - January 2013 Reporting Article [PDF]
- Campaign Guide: Nonconnected, pp. 49-51 [PDF]; SSF, pp. 46-48 [PDF]; Party, pp. 67-68 [PDF].

## CHANGE IN FILING FREQUENCY

Committees able to change their reporting schedule (for example, from monthly to semi-annually) who wish to do so must notify the Commission in writing and may change their filing frequency no more than once per calendar year. See 11 CFR 104.5(c).

- Web Page: Filing Frequency by Type of Committee
- Campaign Guide: Nonconnected, p. 51 [PDF]; SSF, p. 49 [PDF]; Party, p. 67 [PDF].

## COMPLIANCE

### Treasurer Responsibility

Committee treasurers are responsible for both the timeliness and the accuracy of all reports. They may be subject to monetary penalties if reports are inaccurate or are not filed on time. See 11 CFR 104.14(d).

- Statement of Policy Regarding Treasurers Subject to Enforcement Proceeding [PDF]
- Campaign Guide: Nonconnected, pp. 3-4 [PDF]; SSF, pp. 1-2 [PDF]; Party, pp. 6-7 [PDF].

### Administrative Fine Program

Failure to file reports on time may be subject to civil money penalties up to \$17,600 (or more for repeat late- or non-filers). See generally, 11 CFR Part 111 Subpart B. See 11 CFR 111.43(b). See also 11 CFR 111.43.

- Web Page: Administrative Fine Program Page
- Campaign Guide: Nonconnected, pp. 48-49 [PDF]; SSF, p. 46 [PDF]; Party, p. 66 [PDF].

## DISCLOSURE OF LOBBYIST BUNDLING ACTIVITY

Party committees and Leadership PACs must file FEC Form 3L [PDF] if they receive two or more bundled contributions from lobbyists/registrants or lobbyist/registrant PACs that aggregate in excess of \$17,100 during the applicable reporting period (see page 1 of this notice). See 11 CFR 104.22(b) and 11 CFR 110.17(c)(2).

- The Record: March 2009 issue [PDF]

## 48- AND 24-HOUR REPORTS OF INDEPENDENT EXPENDITURES

Any PAC or Party Committee that makes independent expenditures may have to disclose this activity within 48- or 24-hours based upon the date and amount of the expenditure. See 11 CFR 104.4(b)(2) and (c). See generally, 11 CFR 104.4.

- Web Page: 2013 special election 48- and 24-hour periods for independent expenditures
- Campaign Guide: Nonconnected, pp. 72-74 [PDF]; SSF, pp. 65-67 [PDF]; Party, pp. 87-89 [PDF].

These reports are not required when a PAC or Party Committee makes a contribution directly to a candidate.

## LOOKING AHEAD TO 2014

### PRE-ELECTION REPORTING

Quarterly filing committees that make contributions or expenditures (including independent expenditures) in connection with an election must also file a pre-election report, if the activity was not previously reported. See 11 CFR 104.5(c)(1)(ii).

- Web Page: 2014 Reporting Dates Page (coming in 2014)
- The *Record*: January 2014 *Record* Blog article [PDF] (coming in 2014)
- Campaign Guide: *Nonconnected*, pp. 49-51 [PDF]; *SSF*, pp. 46-48 [PDF]; *Party*, pp. 65-66 [PDF].

---

FOR INFORMATION, CALL: (800) 424-9530 or (202) 694-1100

**Texans for a Conservative Majority (C00542217)**

**48-Hour Report Not Timely Filed**

**2014 12 Day Pre-Primary Report**

Name of Payee	Date of Expenditure (Schedule E)	Expenditure Amount	Candidate Opposed	State and Date of Election	48-Hour Report Filed
Majority Strategies	2/11/14	\$74,235.36 48-Hour Report Required	Steve Stockman	Texas 2014 Primary (3/4/14)	4/14/14
	<b>TOTAL</b>	<b>\$74,235.36</b>			

**Texans for a Conservative Majority (C00542217)**

**Additional Receipts by Line Number**

**2013 Year-End Report/Amended 2013 Year-End Report**

<b>Report Line</b>	<b>2013 Year-End Report (Image 14940251571)</b>	<b>Amended 2013 Year-End Report, received 5/1/14 (Image 14960869750)</b>	<b>Variance Amount</b>
<b>11(a)(i): Itemized Contributions from Individuals</b>	<b>\$0.00</b>	<b>\$180,000.00</b>	<b>\$180,000.00</b>
<b>Total Variance:</b>			<b>\$180,000.00</b>