



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 9, 2015

Sean Cairncross and Chris Winkelman
Holtzman Vogel Josefiak PLLC
45 North Hill Drive, Suite 100
Warrenton, VA 20186

Re: ADR 765 (RR 14L-39)
Texans for a Conservative Majority and Randy Cubriel, Treasurer

Dear MR. Cairncross and Mr. Winkelman:

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 Texans for a Conservative Majority which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended. The matter was initially referred to the Office of General Counsel, but was subsequently transferred to the ADR Office. It is understood based on a designation of counsel dated December 19, 2014 that your firm has been retained.

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 Texans for a Conservative Majority and Randy Cubriel, 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 would conclude 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:

The Reports Analysis Division (RAD) referred Texans for a Conservative Majority and Randy Cubriel, Treasurer (Respondents or the Committee) for two reporting issues. The Committee failed to timely file one (1) 48-Hour Report totaling \$74,235.36 to support one (1) independent expenditure disclosed on the Amended 2014 12 Day Pre-Primary

Report. The Committee also failed to disclose all financial activity on its 2013 Year-End Report, originally filed on January 31, 2014. On February 20, 2014, the Committee filed an Amended 2013 Year-End Report disclosing additional receipts of \$180,000.

The Committee contends that the errors were inadvertent and voluntarily disclosed to the Commission promptly upon their discovery. In a Miscellaneous Electronic Submission (Form 99) filed on May 7, 2014, the Committee states that the 48-Hour Report was omitted because the Committee expended two identical sums to the same recipient, leading to confusion and the reporting of only one payment. Regarding the omissions on the 2013 Year-End Report, the Committee indicates that during a regular review of previously-filed reports, it became aware that donations made to a "non-contribution account" were not reflected in the original report. The Committee states in Form 99 dated May 1, 2014, that it amended the report as soon as it became aware of the omission.

If after reviewing this letter and the enclosed ADR Frequently Asked Questions, which describe the ADR program, Respondent(s) 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 765. 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,

Krista J. Roche
Assistant Director
Alternative Dispute Resolution Office