



Federal Election Commission
Washington, DC 20463

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SENSITIVE

MEMORANDUM

October 8, 2015

TO: The Commission

THROUGH: Alec Palmer *encl for*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

BY: Lynn M. Fraser *UK/XP*
Director, ADR Office

SUBJECT: ADR 765 Texans for a Conservative Majority and Randy Cubriel, Treasurer, Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Certify that a representative of the Committee participated in an FEC conference, webinar, or other program developed in consultation with the FEC's Information Division; certify that the Committee performed a reconciliation of the Committee's accounts for each required FEC report for one year from the effective date of this agreement; and pay a civil penalty of \$6,150.00.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 765 (RR 14L-39). This referral was transferred from the Office of General Counsel (OGC) to the ADR Office on May 28, 2015.

SUMMARY: 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

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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.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Texans for a Conservative Majority and Randy Cubriel, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.