



Federal Election Commission
Washington, DC 20463

2015 NOV 20 PM 1:01

SENSITIVE

MEMORANDUM

November 20, 2015

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

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

Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 772 Newt 2012 and Lisa Lisker, Treasurer,
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: File a FEC Form 99 correcting and clarifying the debt for the mailing list; and as the Committee wishes to terminate its political committee status, Respondents will certify the closure of the Committee's federal account and, in compliance with 11 C.F.R. § 116.7, file a debt settlement plan with the Commission prior to filing its termination report, and work with Commission staff to terminate their political committee status and reporting obligations with the Commission. The Committee will continue reporting until such time as the termination has been approved.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 772 (MUR 6518). The ADR Office received this referral from the Commission on June 17, 2015.

SUMMARY: In this case, the Citizens for Responsibility and Ethics in Washington complaint alleged, in part, that Newt 2012 and Lisa Lisker, Treasurer (Respondents or the Committee) violated 52 U.S.C. § 30104 and 11 C.F.R. § 104.9 when it failed to disclose the \$47,005 debt to the former candidate Newt Gingrich for the mailing list on its 2011 October Quarterly Report. In addition, the Committee did not comply with the FECA's reporting requirements when it

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disclosed the purpose of the \$47,005 debt on its Amended 2011 October Quarterly Report as "Travel."

Respondents contend that they did report the debt of \$47,005 on the Committee's 2011 July Quarterly Report, albeit it was listed as "Direct Mail List/Travel." The Committee's 2011 October Quarterly Report, filed on October 15, 2011, erroneously reported its beginning balance of debt owed to Newt Gingrich and to other vendors and omitted the \$47,005 entry due to a software load issue. The Committee independently identified and remedied this error without prompting from the Commission. When the Amended 2011 October Quarterly Report was filed on January 31, 2012, the Committee disclosed the \$47,005 debt entry, correcting the starting balance for the Newt Gingrich debt, but still incorrectly showing the purpose as "Travel." Subsequently, the Committee's 2011 Year End Report disclosed payment to Newt Gingrich of the \$47,005 for the list purchase, as well as other travel expenses.