



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

December 5, 2017

Neil Reiff, Esq.  
1025 Vermont Avenue, Suite 300  
Washington, DC 20005

Re: ADR 831  
21st Century Democrats and Bill Combs, Treasurer

Dear Neil Reiff:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matter. The Negotiated Settlement was approved by the Commission on 12/4/2017 – the effective date of the agreement.

Note the specific time frames for compliance detailed in the agreement. Please forward to this office, a statement confirming Respondent's compliance with each term. The letter should note the dates on which Respondents satisfied each of the terms and contain the ADR case number. For your convenience, a compliance chart is attached.

Under the terms of the agreement, a civil penalty in the amount of \$5,850.00 is due on 1/3/2018. Kindly review the attached payment instructions for details on payment methods and the collection of unpaid debts.

As you are aware, the Negotiated Settlement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our 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 resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Records Office.

This agreement resolves this matter. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,

*Krista J. Roche*

Krista J. Roche  
Acting Director  
Alternative Dispute Resolution Office

Enc: Payment Instructions  
Compliance Chart  
Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office

## ADRO Civil Penalty Payment Instructions

You may remit payment by credit card, debit card, or ACH withdrawal from your bank account through Pay.gov, the federal government's secure portal for online collections. Visit <https://pay.gov/public/form/start/80875795> to be directed to Pay.gov's FEC ADR Payment form.

This penalty may also be paid by check or money order made payable to the Federal Election Commission. It should be sent by mail to:

Federal Election Commission  
Attn: Finance Office  
999 E St. NW  
Washington, DC 20463

## Unpaid Civil Penalties

Unpaid civil money penalties will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996 ("DCIA"), 31 U.S.C. § 3701 et seq. If you do not pay this debt within 30 days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within 5 days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 30% of the civil money penalty amount for its collection services. If the age of the debt is greater than or equal to two years old, Treasury will charge a fee of 32% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

**ADR 831 Compliance Chart**

<b>Type</b>	<b>Date Due</b>
Develop a FEC Compliance Manual	Sun 3/4/2018

14-0150W001-14



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Case Number: ADR 831  
Source: RAD 17L-18  
Case Name: 21<sup>st</sup> Century Democrats

### 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 Neil Reiff, Esq., representing the 21<sup>st</sup> Century Democrats and Bill Combs, 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.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division referred Respondents for failing to disclose all financial activity on its 2016 30-Day Post-General Report, originally filed on December 8, 2016. On February 15, 2017, the Committee filed an Amended 2016 30-Day Post-General Report including \$118,367.13 in additional receipts.
4. Treasurers of political committees are required to report all financial activity, including all receipts, pursuant to the FECA. 52 U.S.C. §§ 30104(a)(1), 30104(b)(2), 11 C.F.R. §§ 104.1, 104.3(a).
5. The Committee filed a Miscellaneous Electronic Submission (Form 99) on April 27, 2017, indicating that the Committee "reviewed its disclosure process and has completed an exhaustive internal audit of all data processed during FY2016." The Committee contends that the error was due to a vendor who did not properly upload itemized donor data and that the Committee amended reports once the data was uploaded. In addition, the Committee indicates that it "has taken major steps to adequately correct its disclosure process to be in compliance with the Commission's guidelines."

