



FEDERAL ELECTION COMMISSION
Washington, DC 20463

August 3, 2017

Neil P. Reiff, Esq.
1025 Vermont Ave, NW
Suite 300
Washington, DC 20005

Re: ADR 832 (RR 17L-10)
Democratic Party of New Mexico and Robert Lara, Treasurer

Dear Mr. Reiff:

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 Democratic Party of New Mexico, which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended.

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 Democratic Party of New Mexico and Robert Lara, 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:

Summary of Case: RAD referred Democratic Party of New Mexico and Robert Lara, Treasurer, (Respondents or the Committee) for failing to disclose all financial activity on its 2016 September Monthly Report. On December 6, 2016, the Committee filed an Amended 2016 September Monthly Report disclosing an additional \$600,000 in disbursements.

The Committee contends that this error was inadvertent and went unnoticed because both the receipt and disbursement of this sum was initially unreported, creating a situation in which the cash-on-hand in the report and the bank statements reconciled and the errors were not immediately evident. As these receipts and disbursements were for joint fundraising, the sums were reported timely by two other committees.

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 832**. 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

Krista J. Roche
Acting Director
Alternative Dispute Resolution Office