



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 18, 2019

Randall Pullen, Treasurer
Principles First, Inc.
310 First Street, SE
Washington, DC 20003

Response Due Date
May 4, 2019

Re: ADR 901 (MUR 7474) and ADR 903 (RAD 19L-02)
Principles First, Inc. and Randall Pullen, Treasurer

Dear Randall Pullen:

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 Office of General Counsel (MUR 7474) was based on a complaint filed by Campaign Legal Center which alleges a violation of the Federal Election Campaign Act of 1971, as amended, by Principles First, Inc. An additional referral by the Reports Analysis Division (RAD 19L-02) was based on a review of reports filed by Principles First, Inc. which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended.

An email was sent to your office on March 14, 2019, regarding an opportunity to participate in the ADR program at the Commission to resolve this matter. To date, the Commission has received no response. 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 Principles First, Inc. and Randall Pullen, 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 Principles First, Inc. and Randall Lee Pullen, Treasurer (Respondents for the Committee) for failing to file one (1) 24-Hour Report totaling \$65,150.00 to support two (2) independent expenditures disclosed on the 2018 July Quarterly Report. On August 9, 2018, Campaign Legal center filed a Complaint alleging that Respondents failed to timely file an accurate 24-hour independent expenditure report for "at least \$49,350" in television ads that expressly advocated against the election of Matt Rosendale, a federal candidate who participated in Montana's June 5, 2018.

On July 7, 2018, the Committee filed a 24-Hour Report covering \$65,150 in independent expenditures. The Committee filed a Miscellaneous Electronic Submission (Form 99) on November 11, 2018 indicating that it had attempted to timely file 24-hour reports but experienced "problems with entering transactions in the electronic filing software."

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 by May 4, 2019 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 901** and **ADR 903**. 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,



Joshua Rebollozo
ADR Specialist
Alternative Dispute Resolution Office

Enclosures:

Commitment to Participate in ADR & Designation of Representative/Counsel