



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 17, 2019

Randall Pullen  
8687 E. Via De Ventura Suite 106  
Scottsdale, AZ 85258

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

Dear Randall Pullen:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matter. The Negotiated Settlement was approved by the Commission on July 15, 2019 – 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 \$4,900.00 is due on August 14, 2019. 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  
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 [www.fec.gov/adrpayment](http://www.fec.gov/adrpayment) 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  
1050 First Street, NE  
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 903 Compliance Chart**

<b>Type</b>	<b>Date Due</b>
Committee will file for termination	October 13, 2019



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Case Number: ADR 901 and 903  
Source: MUR 7474 and RAD 19L-02  
Case Name: Principles First, Inc.

### NEGOTIATED SETTLEMENT

These matters were initiated by the filing of a Complaint and by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of these matters, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve these matters, the Commission entered into negotiations with Randall Pullen representing Principles First, Inc. and Randall Pullen, in the official capacity of 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 the referral and Complaint. The parties agree to resolve these matters 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 (RAD) referred Respondents for failing to file one (1) 24-Hour Report totaling \$65,150 to support two (2) independent expenditures disclosed on the 2018 July Quarterly Report. In addition, on August 9, 2018, Campaign Legal Center filed a Complaint alleging that Respondents failed to timely file a 24-Hour 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 election. Both the RAD referral and Complaint pertain to the same independent expenditures. Respondents verified that the independent expenditures related to this matter total \$65,150, and this amount includes both the production and ad costs paid to the vendor.
4. A person, including a political committee, that makes or contracts to make independent expenditures aggregating \$1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours. 52 U.S.C. § 30104(g)(1), 11 C.F.R. § 104.4(c).

5. Respondents state that the late filing was an inadvertent mistake and that the Committee experienced electronic filing issues which prevented timely filing. Respondents also contend that there was no attempt to mislead the public or to not disclose the activity.
6. Respondents, in an effort to resolve these matters, agree to: (a) pay a civil penalty of \$4,900 within thirty (30) days of the effective date of this agreement; and (b) as the Committee wishes to terminate its political committee status, Respondents will certify the closure of the Committee's federal account and file a termination report within ninety (90) days of the effective date of this agreement, 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.
7. Respondents agree that all information provided to resolve these matters is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of this agreement as set out in paragraph 6 above, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 901 (MUR 7474) and ADR 903 (19L-02), and resolves those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

## FOR THE COMMISSION:

**Krista J. Roche, Director  
Alternative Dispute Resolution Office**

J. Rock

7/15/2019

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**Date Signed**

## FOR THE RESPONDENTS:

Randall Park

6/26/2019

Randall Pullen  
Representing Principles First, Inc. and Randall Pullen,  
Treasurer

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**Date Signed**