



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 27, 2019

Brian Svoboda  
700 13th Street, NW, Suite 600  
Washington, DC 20005-3690

Re: ADR 908  
Tony Cardenas for Congress and Jennifer May, Treasurer

Dear Mr. Svoboda:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matter. The Negotiated Settlement was approved by the Commission on **August 21, 2019** – the effective date of the agreement.

Note the specific timeframes for compliance detailed in the agreement. **Please forward to this office, a statement confirming Respondent's compliance with each term(s).** 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 \$5,575.00 is due on September 20, 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,

FEDERAL ELECTION COMMISSION – ALTERNATIVE DISPUTE RESOLUTION OFFICE  
1050 FIRST STREET, N.E., WASHINGTON, D.C. 20463  
TELEPHONE: 202.694.1661  
EMAIL: ADR@FEC.GOV



Krista J. Roche  
Director  
Alternative Dispute Resolution Office

Enc:

Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office

0001-UN-UN-01-01



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Case Number: ADR 908  
Source: AD 17-01  
Case Name: Tony Cardenas for Congress

### 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 Brian Svoboda representing Tony Cardenas for Congress and Jennifer May, in her 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.

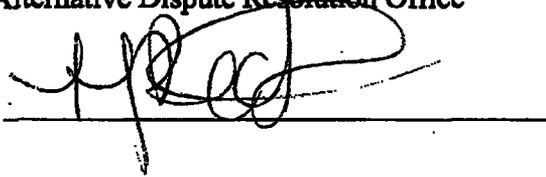
Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

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 Audit Division referred Respondents for one finding detailed in the Final Audit Report of the Commission, as approved on March 11, 2019. The finding states that the Committee received contributions from individuals that exceeded the limit totaling \$74,302 during the 2016 election cycle. These errors occurred because Respondents did not send presumptive redesignation letters or obtain signed redesignation letters that would have resolved the excessive amounts, or did not issue refunds of the excessive portions of the contributions prior to the audit.
4. During the 2016 election cycle, no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceeds \$2,700. 52 U.S.C. § 30116 (a), 11 C.F.R. § 110.1(b). No candidate or political committee shall knowingly accept any contribution in violation of this limit. 52 U.S.C. §§ 30116(f). Commission regulations permit political committees to resolve excessive contributions through written redesignations and reattributions. 11 C.F.R. § 110.1(b)(5), (k), (l).

5. In response to the audit, the Committee materially resolved the excessive contributions through sending presumptive letters, receiving signed redesignation letters, and issuing one refund, albeit untimely.
6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) retain an outside consultant to review its compliance procedures and conduct a training with those responsible for preparing and filing its reports within ninety (90) days of the effective date of this agreement; and (b) pay a civil penalty of \$5,575 within thirty (30) days of the effective date of this agreement.
7. Respondents agree that all information provided to resolve this matter 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. Jennifer May was not the Committee's treasurer during the 2016 election cycle and is a Respondent solely in her representative capacity.
9. 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.
10. 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.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 908 (AD 17-01), 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.

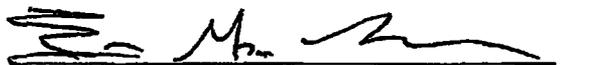
FOR THE COMMISSION:

Krista J. Roche, Director  
Alternative Dispute Resolution Office



8/27/19  
Date Signed

FOR THE RESPONDENTS:



Brian Svoboda  
Representing Tony Cardenas for Congress and  
Jennifer May, Treasurer

9 Aug 2019  
Date Signed