

19L-26

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: August 20, 2019

ANALYST: Kevin McQueen

I. COMMITTEE:

Fair and Balanced PAC
C00389858
Michael Lux, Treasurer
1250 Eye Street, NW
Suite 330
Washington, DC 20005

II. RELEVANT STATUTE:

52 U.S.C. § 30104(g)(1)
11 CFR § 104.4(c)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Timely File 24-Hour Reports)

Fair and Balanced PAC (“the Committee”) failed to timely file three (3) 24-Hour Reports supporting eighteen (18) independent expenditures totaling \$30,500.00 disclosed on the 2018 30-Day Post-General Report, made after the 20th day but more than 24 hours before the 2018 General Election (Attachment 2).

On October 29, 2018, the Committee filed one (1) 24-Hour Report to support five (5) independent expenditures totaling \$50,000.00 disseminated on October 30, 2018 (Images 201810299133552082-84).

On November 1, 2018, the Committee filed one (1) 24-Hour Report to support twelve (12) independent expenditures totaling \$99,523.30 disseminated between October 31, 2018, and November 3, 2018 (Images 201811019133575191-96).

On November 2, 2018, the Committee amended the 24-Hour Report filed on October 29, 2018. The amendment increased the total of the five (5) independent

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expenditures disseminated October 30, 2018, to \$75,000.00, but disclosed no other changes to the independent expenditures itemized on the original report (Images 201811029133578944-46).

Also on November 2, 2018, the Committee amended the 24-Hour Report filed on November 1, 2018. The amendment decreased the total amount of the twelve (12) independent expenditures, disseminated between October 31, 2018, and November 3, 2018, to \$74,523.30, but disclosed no other changes to the independent expenditures itemized on the original report (Images 201811029133578947-52).

On December 3, 2018, the Committee filed its 2018 30-Day Post-General Report, covering the period from October 1, 2018, through November 26, 2018. The report included a Schedule E (Itemized Independent Expenditures) disclosing forty-five (45) independent expenditures totaling \$250,500.00 made in support of or opposition to twelve (12) Federal candidates. The Committee failed to timely file 24-Hour Reports to disclose eighteen (18) independent expenditures totaling \$30,500.00 for the 2018 General Election (Images 201812039133908787-809, Attachment 2).

Also on December 3, 2018, the Committee further amended the 24-Hour Report filed on October 29, 2018. The amended report disclosed eleven (11) independent expenditures, totaling \$99,000.00 (Images 201812039133908746-51).

Also on December 3, 2018, the Committee further amended the 24-Hour Report filed on November 1, 2018. The amended report disclosed twenty-four (24) independent expenditures, totaling \$81,023.30 (201812039133908752-63).

On April 1, 2019, a Request for Additional Information (RFAI) was sent to the Committee referencing the 2018 30-Day Post-General Report. The RFAI noted that the Committee may have failed to timely file one or more of the required 24-Hour Reports regarding independent expenditures. A chart was included with the RFAI identifying eighteen (18) independent expenditures, totaling \$30,500.00, for which 24-Hour Reports had not been timely filed (Images 201904010300036342-44, Attachment 2).

On April 8, 2019, the Committee filed an FEC Form 99 (Miscellaneous Electronic Submission) in response to the RFAI referencing the 2018 30-Day Post-General Report. The Committee stated, in part:

“Please note that the committee's failure to disclose certain production costs on the original Form 24 at the time they were originally filed upon dissemination of the communication were discovered during filing of the 30 Day Post general report and was due to an administrative oversight. Certain production costs from Mike Lux Media had not yet been invoiced or ascertained at the time of the original Form 24 filings. These amounts were invoiced and paid subsequent to the general election. When this omission was discovered during the preparation of the post general report, the Form

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24 was immediately amended to include these expenses” (Image 201904089146050264).

On June 4, 2019, the Reports Analysis Division (RAD) Analyst called Michael Lux, the Committee’s Treasurer, and spoke to his assistant, Lauren Windsor. The Analyst said the Committee’s response to the matter referenced in the Request for Additional Information for the 2018 30-Day Post-General Report regarding late 24-Hour Reports was inadequate and the matter may be referred to another Commission office for potential further action. Ms. Windsor said the Committee’s attorney had responded, and the Analyst stated that the FEC Form 99 was not signed by any specific person. The Analyst stated the Committee could provide further clarification for the public record if they wanted. Ms. Windsor took down the Analyst’s phone number and said she would have the Committee’s counsel reach out (Attachment 3).

On June 7, 2019, Neil Reiff, the Committee’s Counsel, called the RAD Analyst about the referable issue in the Committee’s 2018 30-Day Post-General Report. The Analyst stated the issue may be referred to another Commission office for potential further action, but the Committee could still add anything to the public record if they wanted to provide further clarification. Mr. Reiff said he did not think any further clarification was necessary (Attachment 3).

To date, no further communications have been received from the Committee regarding this matter.

O-Index (2019-2020)															
Cmte. ID: C00389858 Cmte. Name: FAIR AND BALANCED PAC															
Treasurer Name: LUX, MICHAEL Address: 1250 EYE STREET, NW SUITE 330, WASHINGTON, DC 20005															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
MS-T			4/8/2019	1	201904089146050264				-	-	-	-	-	-	-
F3XN	MY	N	7/19/2019	5	201907199151480764	1/1/2019	6/30/2019		\$1,295	\$0	\$0	\$1,295	-	-	\$0
Totals										\$0	\$0				

O-Index (2017-2018)															
Cmte. ID: C00389858 Cmte. Name: FAIR AND BALANCED PAC															
Treasurer Name: LUX, MICHAEL Address: 1250 EYE STREET, NW SUITE 330, WASHINGTON, DC 20005															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
MS-T			10/18/2018	1	201810189125622219				-	-	-	-	-	-	-
RQ2	30G	N	4/1/2019	3	201904010300036342	10/1/2018	11/26/2018	4/1/2019	-	-	-	-	-	-	-
F3XN	MY	N	7/7/2017	5	201707079066566342	1/1/2017	6/30/2017		\$1,342	\$0	\$0	\$1,342	-	-	\$0
F3XN	YE	N	1/24/2018	14	201801249090621397	7/1/2017	12/31/2017		\$1,342	\$900	\$574	\$1,668	-	-	\$0
F3XN	Q1	N	4/6/2018	5	201804069104788237	1/1/2018	3/31/2018		\$1,668	\$0	\$150	\$1,518	-	-	\$0
F3XN	Q2	N	7/11/2018	5	201807119115305546	4/1/2018	6/30/2018		\$1,518	\$0	\$0	\$1,518	-	-	\$0
F3XN	Q3	N	10/9/2018	5	201810099124441336	7/1/2018	9/30/2018		\$1,518	\$0	\$0	\$1,518	-	-	\$0
F3XN	30G	N	12/3/2018	29	201812039133908781	10/1/2018	11/26/2018		\$1,518	\$250,450	\$250,672	\$1,295	-	-	\$0
F3XN	YE	N	1/7/2019	5	201901079143755079	11/27/2018	12/31/2018		\$1,295	\$0	\$0	\$1,295	-	-	\$0
F1A		A	10/19/2018	4	201810199125649154				-	-	-	-	-	-	-
F24N	24		10/29/2018	3	201810299133552082				-	-	-	-	-	-	-
F24N	24		11/1/2018	6	201811019133575191				-	-	-	-	-	-	-
F24A	24		11/2/2018	3	201811029133578944				-	-	-	-	-	-	-
F24A	24		11/2/2018	6	201811029133578947				-	-	-	-	-	-	-
F24N	24		10/26/2018	5	201810269133546848				-	-	-	-	-	-	-
F24A	24		12/3/2018	6	201812039133908746				-	-	-	-	-	-	-
F24A	24		12/3/2018	12	201812039133908752				-	-	-	-	-	-	-
Totals										\$251,350	\$251,397				

O-Index (2015-2016)															
Cmte. ID: C00389858 Cmte. Name: FAIR AND BALANCED PAC															
Treasurer Name: LUX, MICHAEL Address: 1250 EYE STREET, NW SUITE 330, WASHINGTON, DC 20005															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltrr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debts	Loans	Debts & Loans
F3XN	MY	N	7/22/2015	5	201507229000355755	1/1/2015	6/30/2015		\$1,281	\$0	\$90	\$1,191	-	-	\$0
F3XN	YE	N	1/28/2016	5	201601289004683312	7/1/2015	12/31/2015		\$1,191	\$0	\$15	\$1,176	-	-	\$0
F3XN	Q1	N	4/7/2016	5	201604079012254689	1/1/2016	3/31/2016		\$1,176	\$100	\$30	\$1,246	-	-	\$0
F3XN	Q2	N	7/8/2016	5	201607089020380022	4/1/2016	6/30/2016		\$1,246	\$0	\$0	\$1,246	-	-	\$0
F3XN	Q3	N	10/7/2016	5	201610079032197735	7/1/2016	9/30/2016		\$1,246	\$0	\$0	\$1,246	-	-	\$0
F3XN	30G	N	11/29/2016	5	201611299037579357	10/1/2016	11/28/2016		\$1,246	\$100	\$3	\$1,342	-	-	\$0
F3XN	YE	N	1/12/2017	5	201701129041384417	11/29/2016	12/31/2016		\$1,342	\$0	\$0	\$1,342	-	-	\$0
Totals										\$200	\$138				

Fair and Balanced PAC (C00389858)

2018 30-Day Post-General Report

24-Hour Report Not Timely Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount (Image 2018120391 33908787-809)	Candidate Opposed	Election	24-Hour Report Filed
Callahan, Peter	11/1/18	\$83.33	Donald J Bacon	G2018	12/3/18
Mike Lux Media	11/1/18	\$1,000.00	Donald J Bacon	G2018	12/3/18
Mike Lux Media	11/1/18	\$4,000.00 <i>24-Hour Report Required</i>	Donald J Bacon	G2018	12/3/18
Mike Lux Media	10/30/18	\$4,000.00	Dean Heller	G2018	12/3/18
Mike Lux Media	10/30/18	\$4,000.00 <i>24-Hour Report Required</i>	Dean Heller	G2018	12/3/18
Callahan, Peter	10/31/18	\$83.33 <i>24-Hour Report Required</i>	Dean Heller	G2018	12/3/18
Mike Lux Media	10/30/18	\$4,000.00 <i>24-Hour Report Required</i>	William Hurd	G2018	12/3/18
Callahan, Peter	10/31/18	\$83.33	William Hurd	G2018	12/3/18
Mike Lux Media	10/31/18	\$1,000.00 <i>24-Hour Report Required</i>	William Hurd	G2018	12/3/18
Callahan, Peter	10/31/18	\$83.34	Thomas MacArthur	G2018	12/3/18
Mike Lux Media	10/31/18	\$1,000.00	Thomas MacArthur	G2018	12/3/18
Mike Lux Media	10/31/18	\$1,000.00 <i>24-Hour Report Required</i>	Thomas MacArthur	G2018	12/3/18

Mike Lux Media	10/30/18	\$4,000.00 <i>24-Hour Report Required</i>	Pete Sessions	G2018	12/3/18
Callahan, Peter	10/31/18	\$83.33	Pete Sessions	G2018	12/3/18
Mike Lux Media	10/31/18	\$1,000.00 <i>24-Hour Report Required</i>	Pete Sessions	G2018	12/3/18
Mike Lux Media	10/30/18	\$4,000.00 <i>24-Hour Report Required</i>	David Young	G2018	12/3/18
Callahan, Peter	10/31/18	\$83.34	David Young	G2018	12/3/18
Mike Lux Media	10/31/18	\$1,000.00 <i>24-Hour Report Required</i>	David Young	G2018	12/3/18