



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

2020 FEB 14 AM 11:25

**SENSITIVE**

**MEMORANDUM**

February 14, 2020

TO: The Commission

THROUGH: Alec Palmer *AP m/1/14/14*  
Staff Director

FROM: Patricia C. Orrock *PCO*  
Chief Compliance Officer

Krista J. Roche *KJR*  
Director, ADR Office

Rosa Marshall *RM*  
Assistant Director, ADR Office

SUBJECT: Recommendation to Approve Negotiated Settlement  
ADR 940 - Texans for Texas (C00641571) and  
David Terry, Treasurer

RESOLUTION TERMS: Pay a civil penalty of \$3,175 and work with Commission  
staff to terminate political committee status and reporting  
obligations.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 940 (AD A19-08). The ADR Office received this referral on October 1, 2019.

**SUMMARY:** The Reports Analysis Division (RAD) referred and the Audit Division transferred the Texans for Texas and David Terry, Treasurer (Respondents or the Committee) for a series of reporting errors and other FECA violations during the 2017-2018 election cycle. A political committee may be referred if, after an internal review of reports filed by the committee, the Commission determines the reports do not meet the threshold requirements for substantial compliance with the FECA. The Committee's reporting errors included, among other items: failure to file reports and late filing, mathematical discrepancies, failure to provide supporting schedules, and independent expenditure reporting problems.

Recommendation to Approve  
Negotiated Settlement  
ADR 940 (AD A19-08)  
Page 1

In response to the RAD referral, the Committee filed amendments to correct the public record for the 2018 election cycle reporting errors. RAD reviewed these amendments and determined that no further corrective action is required. The Committee further stated that it intends to terminate its political committee status once this matter has been resolved.

**RECOMMENDATIONS:**

1. Approve the attached negotiated settlement of Texans for Texas and David Terry, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.