



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 7, 2020

Alex Varban, Treasurer
Americans for Prosperity Action, Inc.(AFP Action)
2200 Wilson Blvd.
#102-177
Arlington, VA 22201

**Response Due Date
March 1, 2020**

Re: ADR 955 (RAD 20L-01)
Americans for Prosperity Action, Inc.(AFP Action) and Alex Varban, Treasurer
(C00687103)

Dear Alex Varban:

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 Reports Analysis Division (RAD) was based on a review of reports filed by Americans for Prosperity Action, Inc.(AFP Action) which reflect a possible failure to comply with the Federal Election Campaign Act of 1971, as amended.

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 Americans for Prosperity Action, Inc.(AFP Action) and Alex Varban, 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:

FEDERAL ELECTION COMMISSION, ALTERNATIVE DISPUTE RESOLUTION OFFICE
1050 FIRST STREET N.E., WASHINGTON, DC 20463
TELEPHONE: 202.694.1136
EMAIL: ADR@FEC.GOV

RAD referred Americans for Prosperity Action, Inc. (AFP Action) and Alex Varban, Treasurer (Respondents or the Committee) for failing to timely file a total of five (5) 48-Hour Reports supporting twenty (20) independent expenditures totaling \$294,963.75 that were disclosed on the Amended 2018 October Quarterly Report and the 2018 12-Day Pre-General Report. In addition, the Committee amended its 2018 October Quarterly Report disclosing additionally incurred debts totaling \$77,129.77.

On July 1, 2019, the Committee filed a Form 99 referencing the failure to disclose all financial activity on the 2018 October Quarterly Report stating that the report was amended to disclose additional debt for those independent expenditures that had been disseminated but not paid for during the reporting period. On September 26, 2019, the Committee filed an additional Form 99 (Miscellaneous Electronic Submission) stating that the Committee implemented several improvements in response to the untimely filed 48-Hour Reports including improving record keeping processes and expediting reporting through the use of automated tracking 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 within fifteen (15) business days from the date of this letter 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 955**. 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 A. Rebollozo
ADR Specialist
Alternative Dispute Resolution Office