



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

January 27, 2021

Brendan Walsh  
Case Action Fund  
1021 S. 7th Avenue  
Phoenix, AZ 85007

Re: ADR 964 (RAD 20L-08)  
Case Action Fund (C90016627)

Dear Brendan Walsh:

Enclosed is the signed copy of the Negotiated Settlement resolving the above-shown matter. The Negotiated Settlement was approved by the Commission on January 19, 2021 – 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 the Respondent 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 \$6,650 is due on March 20, 2021. 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.

FEDERAL ELECTION COMMISSION – ALTERNATIVE DISPUTE RESOLUTION OFFICE  
1050 FIRST STREET, N.E., WASHINGTON, D.C. 20463  
TELEPHONE: 202.694.1152  
EMAIL: [RMARSHALL@FEC.GOV](mailto:RMARSHALL@FEC.GOV)

Sincerely,

A handwritten signature in black ink that reads "Rosa Marshall". The signature is fluid and cursive, with the first name "Rosa" and last name "Marshall" clearly distinguishable.

Rosa Marshall  
Assistant Director  
Alternative Dispute Resolution Office

Enc: Payment Instructions  
Compliance Chart  
Negotiated Settlement

## **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.

### **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 964 Compliance Chart**

<b>Type</b>	<b>Date Due</b>
Develop a FEC Compliance Manual	4/19/2021
Attend FEC seminar	1/19/2022



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Case Number: ADR 964  
Source: RAD 20L-08  
Case Name: Case Action Fund

## 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 Dacey Montoya and Brendan Walsh representing Case Action Fund (Respondent). 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 the Respondent addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

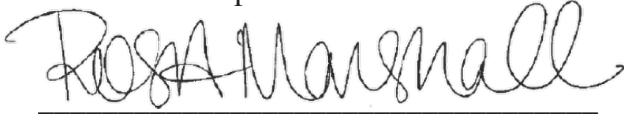
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of the Respondent. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 52 U.S.C. § 30109.
2. The Respondent voluntarily enters into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred the Respondent for disclosing 101 independent expenditures totaling \$133,427.52 that were made prior to the 2018 General Election, after the election. The Respondent disclosed the expenditures on their 2018 Year-End Report and did not disclose these expenditures on 24- or 48-Hour Reports<sup>1</sup>.
4. Persons and entities that do not file with the Commission as political committees that make or contract 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. § 109.10.
5. Persons and entities that do not file with the Commission as political committees that make or contract to make independent expenditures aggregating \$10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours. 52 U.S.C. § 30104(g)(2), 11 C.F.R. § 109.10.

<sup>1</sup> In phone conversations with RAD and ADR, the Respondent indicated they did not have information on the exact dissemination dates. Because of this, the required number of 24-and/or 48-Hour Reports could not be determined.

6. During negotiations, Respondent stated and hereby affirm that the failure to file 24- or 48-Hour Reports was due to understaffing and a lack of understanding regarding the independent expenditure process. Since the incident, Respondent has hired additional staff and a compliance firm to assist with their filings.
7. The Respondent, in an effort to avoid similar errors in the future, agrees to:
  - a. Develop and certify implementation of a compliance operations manual within ninety (90) days of the effective date of this agreement; and
  - b. Certify that a representative of the Respondent participated in an FEC conference, webinar, or other program developed in consultation with the FEC's Information Division within twelve (12) months of the effective date of this agreement; and
  - c. Pay a civil penalty to the Commission in the amount of \$6,650 within sixty (60) days of the effective date of this agreement.
8. The Respondent agrees 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.
9. The parties agree that if the Respondent fails to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance. Unpaid civil money penalties are subject to the Debt Collection Act of 1982 as amended by the Debt Collection Improvement Act of 1996 (DCIA), 31 U.S.C. § 3701 et seq. The Commission will transfer debt to the United States Department of the Treasury (Treasury) for collection.
10. This agreement shall become effective on the date signed by all parties and approved by the Commission. The Respondent shall comply with the terms of this agreement as set out in paragraph 7 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 964 (RAD 20L-08), 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:

Rosa Marshall, Assistant Director  
Alternative Dispute Resolution Office



1/24/2021

Date Signed

FOR THE RESPONDENT:



Brendan Walsh  
Dacey Montoya  
Representing Case Action Fund

08 / 22 / 2020

Date Signed