

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Honorable J. Philip Gingrey)

Gingrey for Congress and)

Robert T. Morgan, as treasurer)

Gingrey for State Senate and)

Phyllis Gingrey Collins, as treasurer)

Honorable Jeff Mullis)

Jeff Mullis Victory Account and its treasurer)

Honorable Judith H. Manning)

Committee to Elect Judy Manning and)

Margaret H. Barnett, as treasurer)

Russell K. Paul)

Rusty Paul for State Senate and its treasurer)

MUR 5278

SENSITIVE

GENERAL COUNSEL'S REPORT #2

I. ACTIONS RECOMMENDED: Accept the attached conciliation agreement with

J. Philip Gingrey, Gingrey for Congress and Robert T. Morgan, as treasurer, and Gingrey for

State Senate and Phyllis Gingrey Collins, as treasurer ("Gingrey Respondents"); take no action

with respect to the Gingrey Respondents regarding violations of 2 U.S.C. § 441f; take no action

as to Jeff Mullis, Jeff Mullis Victory Account and its treasurer, Judith H. Manning, Committee to

Elect Judy Manning and Margaret H. Barnett, as treasurer, Russell K. Paul, Rusty Paul for State

Senate and its treasurer ("respondent intermediary committees and candidates"), close the file;

and, approve the appropriate letters.

II. BACKGROUND

On September 23, 2004, the Federal Election Commission ("Commission"):

- Found reason to believe that Gingrey for Congress and Robert T. Morgan, as treasurer, violated 2 U.S.C. §§ 434(b), 441b, 441d and 11 C.F.R. § 110.3(d), and J. Phillip Gingrey, Gingrey for State Senate and Phyllis Gingrey Collins, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 110.3(d).

- Found no reason to believe the Gingrey Respondents violated 2 U.S.C. § 441b and 11 C.F.R. § 110.3(d) in connection with the disbursements to Chance Public Relations.
- Decided to take no action at this time with respect to the Gingrey Respondents regarding violations of 2 U.S.C. § 441f and with respect to respondent intermediary committees and candidates.
- Decided to offer to enter into preprobable cause conciliation negotiations with the Gingrey Respondents

In response to the Commission's reason to believe findings and conciliation agreement, the Gingrey Respondents submitted a check in full payment of the civil penalty and a counter-proposed conciliation agreement

Therefore, this Office recommends
the Commission accept the attached revised conciliation agreement

At the First General Counsel's Report stage, the Commission took no action at that time with respect to the Gingrey Respondents regarding violations of 2 U.S.C. § 441f and with respect to the respondent intermediary state committees and candidates. See First General Counsel's Report at 9. In light of the proposed settlement, this Office recommends that the Commission take no action as to the Gingrey Respondents regarding this violation and take no action as to the respondent intermediary committees and candidates. These recommended actions dispose of the

remaining violation and respondents in this matter. Accordingly, this Office also recommends that the Commission close the file.

III. RECOMMENDATIONS

1. Accept the attached conciliation agreement with J Philip Gingrey, Gingrey for Congress and Robert T. Morgan, as treasurer, Gingrey for State Senate and Phyllis Gingrey Collins, as treasurer.

2. Take no action with respect to J. Phillip Gingrey, Gingrey for Congress and Robert T. Morgan, as treasurer, and Gingrey for State Senate and Phyllis Gingrey Collins, as treasurer, regarding violations of 2 U.S.C § 441f.

3. Take no action with respect to Jeff Mullis, Jeff Mullis Victory Account and its treasurer, Judith H. Manning, Committee to Elect Judy Manning and Margaret H. Barnett, as treasurer, Russell K. Paul, and Rusty Paul for State Senate and its treasurer.

4. Close the file.

5. Approve the appropriate letters.

Lawrence H. Norton
General Counsel

11/11/09
Date

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Attachments

1. Civil penalty check
2. Conciliation Agreement