



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Via First Class Mail and Facsimile
(202) 719-7049

Michael Toner, Esq.
Wiley Rein LLP
1776 K Street N.W.
Washington, D.C. 20006

FEB 03 2012

RE: MUR 6508
Republican National Committee
and Anthony W. Parker, in his
official capacity as treasurer


Dear Mr. Toner:

On February 1, 2012, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 434(b)(8) and 11 C.F.R. §§ 104.3(d) and 104.11(b), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and the Commission's regulations. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,


Kimberly D. Hart
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Republican National Committee) MUR 6508
and Anthony W. Parker, in his official)
capacity as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Republican National Committee and Anthony W. Parker, in his official capacity as treasurer, violated 2 U.S.C. § 434(b)(8) and 11 C.F.R. §§ 104.3(d) and 104.11(b).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to findings of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondent enters voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:
 - 1. The Republican National Committee ("Committee") is an unauthorized, qualified party committee. Anthony W. Parker is the current treasurer of the Republican

1 National Committee. Mr. Parker was not the treasurer when the activities that gave rise
2 to this matter occurred.

3 2. The Federal Election Campaign Act of 1971, as amended ("The Act")
4 provides that all national committees of a political party shall file monthly reports in all
5 calendar years, which shall be filed no later than the 20th day after the last day of the
6 month and shall be complete as of the last day of the month. 2 U.S.C. § 434(a)(4)(B).
7 The Act also provides that each report required to be filed by the treasurer of a political
8 committee must contain the amount and nature of outstanding debts and obligations owed
9 by or to such political committee. 2 U.S.C. § 434(b)(8); *see also* 11 C.F.R. § 104.3(d).

10 3. Section 104.11(b) of the Commission's regulations states the following
11 regarding when the debt information should be disclosed on an FEC report:

12 A debt or obligation, including a loan, written contract, written promise, or
13 written agreement to make an expenditure, the amount of which is \$500 or
14 less, shall be reported as of the time payment is made or not later than 60
15 days after such obligation is incurred, whichever comes first. A debt or
16 obligation, including a loan, written contract, written promise, or written
17 agreement to make an expenditure, the amount of which is over \$500 shall
18 be reported as of the date on which the debt or obligation is incurred except
19 that any obligation incurred for rent, salary, or other regularly reoccurring
20 administrative expense, shall not be reported as a debt before the payment
21 due date. *See* 11 C.F.R. § 116.6. If the exact amount of a debt or obligation
22 is not known, the report shall state that the amount reported is an estimate.
23 Once the exact amount is determined, the political committee shall either
24 amend the report(s) containing the estimate or indicate the correct amount
25 on the report for the reporting period in which such amount is determined.

26
27 11 C.F.R. § 104.11(b).

28 4. On May 20, 2010, the Committee filed its original 2010 May Monthly
29 Report disclosing \$0 of newly incurred debts for the relevant reporting period. On July
30 20, 2010, the Committee filed an amended 2010 May Monthly Report reflecting

MUR 6508 (RNC)
Conciliation Agreement

1 \$3,322,813.47 in newly incurred debts. The amended report reflects an increase of
2 \$3,322,813.47 over the amount disclosed on the original report.

3 5. On June 20, 2010, the Committee filed its original 2010 June Monthly
4 Report disclosing \$760,141.03 in newly incurred debts for the relevant reporting period.
5 On July 20, 2010 and October 18, 2010, the Committee filed amended 2010 June
6 Monthly Reports reflecting an increase in \$2,321,273.79 in newly incurred debts over the
7 amount disclosed on the original report.

8 6. On July 20, 2010, the Committee filed its original 2010 July Monthly
9 Report disclosing \$361,969.08 in newly incurred debts for the relevant reporting period.
10 On October 18, 2010, December 15, 2010, and February 25, 2011, the Committee filed
11 amended 2010 July Monthly Reports reflecting an increase of \$1,759,347.81 in newly
12 incurred debts over the amount disclosed on the original report.

13 7. On August 20, 2010, the Committee filed its original 2010 August
14 Monthly Report disclosing \$67,500 in newly incurred debts for the reporting period. On
15 October 18, 2010, December 15, 2010, and March 3, 2011, the Committee filed amended
16 2010 August Monthly Reports reflecting an increase of \$1,107,215.41 in newly incurred
17 debts over the amount disclosed on the original report.

18 8. On September 20, 2010, the Committee filed its original 2010 September
19 Monthly Report disclosing \$204,227.83 in newly incurred debts for the relevant reporting
20 period. On October 18, 2010, January 18, 2011 and March 11, 2011, the Committee filed
21 amended 2010 September Monthly Reports reflecting an increase of \$789,780.40 in
22 newly incurred debts over the amount disclosed on the original report.

1 9. The Committee contends that the foregoing monthly reports, which
2 collectively totaled almost 25,000 pages, disclosed more than 55,000 itemized receipts
3 (comprising nearly \$33 million of receipts) and more than 13,000 itemized disbursements
4 (comprising over \$9 million of disbursements). The Committee contends that the
5 additional debt entries on the Committee's amended reports represented a mere 0.4% of
6 the 69,524 itemized transactions that were disclosed on the Committee's original 2010
7 May, June, July, August, and September monthly reports. Furthermore, the Committee
8 contends that additional debt that was disclosed through these amendments represented a
9 mere 2.2% of the Committee's total activity for the 2009-2010 election cycle.

10 10. The Committee contends that upon the discovery of the reporting issues
11 that gave rise to this matter – which constituted only a tiny fraction of the Committee's
12 overall activity for the 2009-2010 election cycle – the Committee took aggressive,
13 proactive action to conduct a comprehensive internal review and file amended reports
14 where necessary as expeditiously as possible. The violations at issue occurred during a
15 short period of time in 2010.

16 V. Respondent violated 2 U.S.C. § 434(b)(8) and 11 C.F.R. §§ 104.3(d) and
17 104.11(b) by failing to disclose and itemize \$9,232,930 in newly incurred debts on its
18 original monthly reports for May-September 2010.

19 VI. 1. Respondent will pay a civil penalty of \$96,000 pursuant to 2
20 U.S.C. § 437g(a)(5)(A).

21 2. Respondent will cease and desist from violating 2 U.S.C.
22 § 434(b)(8) and 11 C.F.R. §§ 104.3(d) and 104.11(b).

MUR 6508 (RNC)
Conciliation Agreement

1 VII. The Commission, on request of anyone filing a complaint under 2 U.S.C.
2 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review
3 compliance with this agreement. If the Commission believes that this agreement or any
4 requirement thereof has been violated, it may institute a civil action for relief in the
5 United States District Court for the District of Columbia.

6 VIII. This agreement shall become effective as of the date that all parties hereto
7 have executed same and the Commission has approved the entire agreement.

8 IX. Respondent shall have no more than 30 days from the date this agreement
9 becomes effective to comply with and implement the requirements contained in this
10 agreement and to so notify the Commission.

11 X. This Conciliation Agreement constitutes the entire agreement between the
12 parties on the matters raised herein, and no other statement, promise, or agreement, either
13 written or oral, made by either party or by agents of either party, that is not contained in
14 this written agreement shall be enforceable.

15 FOR THE COMMISSION:

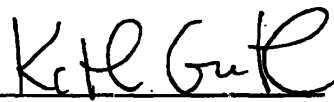
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2-3-12

Date

Anthony Herman
General Counsel

BY:

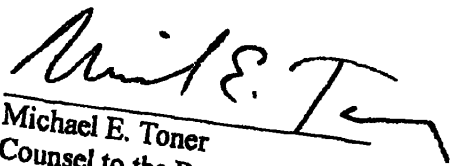

Kathleen M. Guith
Acting Associate General Counsel
for Enforcement

MUR 6508 (RNC)
Conciliation Agreement

1 FOR THE RESPONDENT:

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1/4/12
Date


Michael E. Toner
Counsel to the Republican National
Committee

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