

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 6724
Many Individual Conservatives Helping)
Elect Leaders Everywhere (MichelePAC))
and Christopher M. Marston in his)
official capacity as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Peter Waldron. The Federal Election Commission ("Commission") found reason to believe that Many Individual Conservatives Helping Elect Leaders Everywhere and Christopher M. Marston in his official capacity as treasurer ("Respondent") violated 52 U.S.C. § 30104(b)(5)(A) by failing to properly disclose disbursements and 52 U.S.C. § 30116(a)(2)(A) by making excessive in-kind contributions.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding 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 52 U.S.C. § 30109(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 Commission determined as follows:

1. MichelePAC is Representative Michele Bachmann's leadership PAC.

2. At the time of the events at issue in this matter, Christopher M. Marston was not the Respondent's Treasurer. Barry Arrington, of Barry Arrington, LLC, was the Respondent's Treasurer during the relevant time period.

3. In early 2011, the Bachmann campaign retained the services of Kent Sorenson, an Iowa State Senator, as a consultant. Believing that state law prohibited Sorenson from accepting payment directly from the Respondent, the parties agreed that the Respondent would route payments to Sorenson through an existing contract with another political consultant (C&M Strategies, Inc.) in order to avoid disclosure of Sorenson as the ultimate payee.

4. Sorenson did not take direction from or perform any work for C&M Strategies. C&M Strategies did not exercise any independent control over the funds it received from the Respondent, which were earmarked for Sorenson.

5. During May, the Respondent disclosed paying \$24,000 to C&M Strategies who then acted as a conduit, forwarding \$8,275 of that amount to Sorenson (through his solely owned company) on May 16. Therefore, the Commission found reason to believe that Respondent failed to properly disclose \$8,275 in disbursements to Sorenson.

6. Additionally, Bachmann for President ("BFP"), Bachmann's authorized committee during her 2012 Presidential campaign, was under contract to pay consulting fees of \$22,500 per month to C&M Strategies from mid-2011 through the end of the year. Despite the substantial evidence that C&M Strategies (through its principal, Guy Short) worked full time for BFP during November and December 2011 in anticipation of the Iowa Caucus, BFP did not report paying the \$22,500 monthly consulting fees for either month. Instead, the Respondent — which was under the control of Guy Short, principal of C&M Strategies — paid BFP's obligations to C&M Strategies during this time.

7. The Respondent paid \$45,000 to C&M Strategies for services performed for BFP during November and December 2011. The Commission found reason to believe that these payments resulted in the Respondent making excessive in-kind contributions to BFP in the amount of \$35,000: \$45,000 minus the \$5,000 the Act permitted the Respondent to contribute to BFP in each of calendar years 2011 and 2012.

V. The Commission found reason to believe that the Respondent violated 52 U.S.C. § 30104(b)(5)(A) by failing to properly disclose its disbursements and 52 U.S.C. § 30116(a)(2)(A) by making excessive in-kind contributions. Respondent contends that any such violations were not knowing and willful.

VI. 1. Without admitting liability in this matter or with respect to any other proceeding, but in order to resolve this matter, Respondent will pay a civil penalty to the Federal Election Commission in the amount of \$17,500, pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will comply with 52 U.S.C. § 30104(b)(5)(A) and 52 U.S.C. § 30116(a)(2)(A).

3. Respondent will amend its June 2011 Monthly, December 2011 Monthly, and 2011 Year-End Reports within 30 days.

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

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

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

FOR THE COMMISSION:

Lisa J. Stevenson
Acting General Counsel

BY: Kathleen M. Guith
Kathleen M. Guith
Associate General Counsel

7/27/17
Date

FOR THE RESPONDENT:

Christopher M. Marston
Christopher M. Marston
Treasurer, MichelePAC

June 5, 2017
Date

By Chris Ashby, Esq.,
Counsel of Record

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