



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 20, 2021

Via Email

Email: madams@chalmersadams.com

Michael Adams
Chalmers & Adams, LLC
1300 Pennsylvania Avenue, NW
No. 190-612
Washington, DC 20004

RE: MUR 7896 (Integrity NJ)

Dear Mr. Adams:

On July 13, 2021, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 52 U.S.C. § 30104(g)(1) and (2), provisions of the Federal Election Campaign Act of 1971, as amended. 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* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(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) 694-1021.

Sincerely,

Richard Weiss

Richard L. Weiss
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Integrity NJ and Kathleen Donohue)	MUR 7896
in her 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 Integrity NJ and Kathleen Donohue in her official capacity as treasurer ("Respondent" or "Committee") violated 52 U.S.C. § 30104(g)(1) and (2), provisions of the Federal Election Campaign Act of 1971, as amended (the "Act").

NOW, THEREFORE, the Commission and 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 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 pertinent facts in this matter are as follows:

1. Integrity NJ is an independent expenditure-only committee that registered with the Commission on February 13, 2018. It is a political committee within the meaning of 52 U.S.C. § 30101(4).

2. Kathleen Donohue is the treasurer of Integrity NJ.

3. The Act requires political committee treasurers to file reports of receipts and disbursements in accordance with the provisions of 52 U.S.C § 30104(b).

52 U.S.C. § 30104(a)(1). The reporting requirement includes reporting independent expenditures made by political committees other than authorized committees. 52 U.S.C. § 30104(b)(4)(H)(iii); *see also* 11 C.F.R. § 104.3(b)(1)(vii).

4. Every political committee that makes independent expenditures (“IEs”) must report them in its regularly scheduled disclosure reports in accordance with 11 C.F.R. § 104.3(b)(3)(vii). 11 C.F.R. § 104.4(a). In addition, a political committee that makes IEs aggregating \$10,000 or more for an election in any calendar year, up to and including the 20th day before an election, must report these expenditures within 48 hours. 52 U.S.C. § 30104(g)(2); 11 C.F.R. § 104.4(b)(2). These reports, known as 48-Hour Reports of Independent Expenditures (“48-Hour IE Reports”), must be filed by the end of the second day “following the date on which a communication that constitutes an independent expenditure is public distributed or otherwise publicly disseminated.” 11 C.F.R. § 104.4(b)(2).

5. In addition, a political committee that makes IEs aggregating \$1,000 or more with respect to a given election after the 20th day, but more than 24 hours before the date of that election, must disclose the expenditures within 24 hours following the date on which a communication constituting that independent expenditure is publicly distributed. 52 U.S.C. § 30104(g)(1); 11 C.F.R. § 104.4(c). These reports are known as 24-Hour Reports of Independent Expenditures (“24-Hour IE Reports”). In 2018, October 17 was the 20th day before the November 6 general election. Thus, an IE aggregating \$1,000 or more made on October 18 through November 4, 2018, needed to be disclosed in a 24-Hour IE Report.

6. On October 25, 2018, the Committee filed its 2018 12-Day Pre-General Report disclosing on Schedule E twelve IEs totaling \$468,565, all in opposition to a U.S. Senate candidate. A review of the corresponding IE reports revealed that the Committee did not file two 48-Hour IE Reports supporting three of the IEs totaling \$125,125.

7. On December 16, 2018, the Commission's Reports Analysis Division ("RAD") sent the Committee a Request for Information ("RFAI") regarding its failure to file the two 48-Hour IE Reports. In response, the Committee untimely filed on February 18, 2019, one 48-Hour IE Report disclosing the three IEs totaling \$125,125. It also filed a Form 99 explaining that the treasurer had prepared the 48-Hour IE Report but had failed to upload it into the Commission's electronic filing system. Subsequently, on August 7, 2019, the Committee filed an amended 48-Hour IE Report showing that all three expenditures were made in connection with a communication disseminated on the same day, rather than on two separate days as originally disclosed in the Pre-General Report and the original late-filed 48-Hour IE Report.

8. On December 6, 2018, the Committee filed the 2018 30-Day Post-General Report disclosing on Schedule E twelve IEs totaling \$3,305,344.63, all in opposition to a U.S. Senate candidate. A review of the corresponding IE reports revealed that the Committee did not file one 24-Hour IE Report supporting a \$918,155 expenditure.

9. On March 24, 2019, RAD sent the Committee an RFAI concerning, among other things, the missing 24-Hour IE Report. In response, the Committee filed a Form 99 on April 29, 2019, stating in pertinent part that its failure to file the report was a result of human error and was "simply missed."

V. Respondent violated 52 U.S.C. § 30104(g)(1) by failing to file a 24-Hour IE Report for a \$918,155 independent expenditure and 52 U.S.C. § 30104(g)(2) by untimely filing a 48-Hour IE Report for independent expenditures totaling \$125,125.

VI. 1. In ordinary circumstances, the Commission would seek a substantially higher civil penalty based on the violations outlined in this agreement. However, the Commission is taking into account the fact that the Committee has agreed to terminate and has limited funds remaining. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Forty Thousand Dollars (\$40,000), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from violating 52 U.S.C. § 30104(g)(1) and (2).

3. Respondent certifies that the Committee will file a termination report with the Commission within thirty days of the date that this agreement becomes effective.

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.

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.

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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: Charles Kitcher
Charles Kitcher
Acting Associate General Counsel
for Enforcement

7/19/21
Date

FOR THE RESPONDENT:

Michael G. Adam
(Name) Legal Counsel
(Position)

April 28, 2021
Date