



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JAN 17 2014

Mr. Stephen Hershkowitz
Sandler, Reiff & Young, P.C.
1025 Vermont Ave NW, Suite 300
Washington, DC 20005

RE: MUR 6758

Dear Mr. Hershkowitz:

On January 13, 2014, the Federal Election Commission accepted the signed conciliation agreement submitted on behalf of your clients, Rob Zerban for Congress and Randy Bryce in his official capacity as treasurer, to resolve a violation of 2 U.S.C. § 434(b), a provision of the Federal Election Campaign Act of 1971. Accordingly, the file in this matter is now closed.

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); Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (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, as specified in the agreement, the \$8,500 civil penalty is due within 30 days of the agreement's effective date. If you have any questions, please do not hesitate to contact me at (202) 694-1372.

Sincerely,

Roy Q. Lockett
Attorney, Enforcement Division

Enclosure
Conciliation Agreement

14044351194

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
) MUR 6758
 Rob Zerban for Congress and)
 Randy Bryce in his official capacity)
 as treasurer)
)

OFFICE OF THE CLERK
2013 DEC 17 AM 9:18
FEDERAL ELECTION COMMISSION

14044351195

CONCILIATION AGREEMENT

This matter was initiated pursuant to information ascertained by the Federal Election Commission (the "Commission") in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Rob Zerban for Congress and Randy Bryce in his official capacity as treasurer ("Respondent" or "Committee") violated 2 U.S.C. § 434(b) of the Federal Election Campaign Act of 1971, as amended, (the "Act").

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 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 Committee is the principal campaign committee of Rob Zerban, who was a candidate for the U.S. House of Representatives from Wisconsin's First Congressional District

during the 2012 election cycle. Randy Bryce is the Committee's current treasurer of record but was not the treasurer during the events described herein.

2. The Act requires committee treasurers to file reports of receipts and disbursements in accordance with the provisions of 2 U.S.C. § 434. 2 U.S.C. § 434(a)(1); 11 C.F.R. § 104.1(a). These reports must include, *inter alia*, the total amount of disbursements, including the appropriate itemizations, where required. 2 U.S.C. § 434(b); 11 C.F.R. § 104.3(b).

3. On October 22, 2012, the Committee timely filed its 2012 12-Day Pre-General Report covering the period from October 1, 2012 through October 17, 2012, which disclosed \$323,024.29 in disbursements. Thereafter, the Committee filed two amendments to the original report, one in December 2012, and one in January 2013, disclosing additional disbursements totaling \$438,682.66. The Committee's third amended 2012 12 Day Pre-General Report, filed in April 2013, disclosed no change in the amount of disbursements from the January 2013 amendment.

4. Respondent contends that although the Committee did its best to avoid errors in its Commission reports, the errors occurred because the Committee did not anticipate the overwhelming number of contributions it received, which resulted in a doubling of the amount of disbursements. Respondent maintains that the initial inexperienced and volunteer staff members inadvertently failed to transfer a record of some disbursements to the electronic report submission. Respondent further contends that the Committee has taken both corrective and precautionary actions since its voluntary internal audit discovered these errors, including: (a) amending its reports as the errors were discovered; (b) increasing its staff to process

14044351196

contributions and disbursements; and (c) instituting procedures aimed to prevent future reporting violations.

V. Respondent violated 2 U.S.C. § 434(b) by failing to disclose \$438,682.66 in disbursements on its original 2012 12-Day Pre-General Report.

VI. 1. Respondent will pay a civil penalty to the Commission in the amount of Eight Thousand, Five Hundred Dollars (\$8,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

2. Respondent will cease and desist in committing violations of 2 U.S.C. § 434(b).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(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 the 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.

14044351197


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 within this written agreement shall be enforceable.

FOR THE COMMISSION:

BY:  _____
Daniel A. Petalas
Associate General Counsel
for Enforcement

1/16/14
Date

FOR THE RESPONDENT:

 _____
Stephen E. Hershkowitz
Attorney for the Respondent

12/12/13
Date

14044351198