



FEDERAL ELECTION COMMISSION
Washington, DC 20463

VIA EMAIL

March 9, 2023

David Mitrani, Esq.
Sandler Reiff Lamb Rosenstein & Birkenstock, P.C.
1090 Vermont Avenue NW, Suite 750
Washington, DC 20005
mitrani@sandlerreiff.com

RE: MUR 8094
Brady PAC and Jeanne Connelly
in her official capacity as treasurer

Dear Mr. Mitrani,

On March 8, 2023, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of violations of 52 U.S.C. § 30104(b)(8), a provision of the Federal Election Campaign Act of 1971, as amended and 11 C.F.R. § 104.3(b) of 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* 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. Payment can be made by check payable to the Federal Election Commission and mailed to the Federal Election Commission, 1050 First Street NE, Washington DC 20463. Please write "MUR 8074 civil penalty" on the memo line of the check. Alternatively, payment can be made online by using this link: <https://www.pay.gov/public/form/start/316805379>. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Dominique Dillenseger

Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Brady PAC and Jeanne Connelly)	MUR 8094
in her official capacity as treasurer)	
)	
)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Brady PAC and Jeanne Connelly in her official capacity as treasurer (the “Committee” or “Respondent”) violated 52 U.S.C. § 30104(b)(8) and 11 C.F.R. § 104.3(d) by failing to report a debt.

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 pertinent facts and law in this matter are as follows:
 1. The Committee is a multicandidate hybrid political committee that first registered with the Commission on March 23, 2018. Jeanne Connelly is its treasurer.

2. On December 1, 2020, the Committee filed its original 2020 30-Day Post-General Report, which did not disclose any debt incurred between October 15, 2020, through November 23, 2020.

3. On its Amended 2020 30-Day Post-General Report, dated September 1, 2021, the Committee disclosed \$637,615.00 as a newly incurred debt for the reporting period. On a subsequent Amended 2020 30-Day Post-General Report, dated October 18, 2021, the Committee disclosed no change in total debt from the previous amendment, but clarified the status of the new debt as disputed.

4. On February 4, 2022, the Committee filed a Form 99 Miscellaneous Electronic Submission acknowledging the omission and stating that it was “due to an inadvertent and internal miscommunication between the committee staff and the compliance firm that prepares the report,” adding that the debt reported to the vendor (Mothership Strategies) was incurred on November 1, 2020, in the amount of \$637,615.00, and that \$470,000 remained in dispute. The Committee continued to report the \$470,000 as a disputed debt in subsequent reports.

5. On the 2022 August Monthly Report, the Committee disclosed a credit of \$277,000 to the \$470,000 debt, and a closing balance of \$193,000. The Report included a miscellaneous text stating: “This adjustment reflects a legal settlement of a disputed debt between the committee and the vendor.”

6. The Federal Election Campaign Act of 1971, as amended (the “Act”) and Commission regulations require political committees to disclose the amount and nature of outstanding debts and obligations until those debts are extinguished. 52 U.S.C. § 30104(b)(8); 11 C.F.R. §§ 104.3(d), 104.11(a). Debts of \$500 or less must be reported no later than 60 days after the obligation is incurred, while debts of more than \$500 must be reported as of the date the

obligation is incurred. 11 C.F.R. § 104.11(b). If the exact amount of a debt or obligation is not known, the report shall state that the amount reported is an estimate. *Id.* Once the exact amount is determined, a political committee must either: (1) amend the report(s) containing the estimate; or (2) indicate the correct amount on the report for the reporting period in which such amount is determined. *Id.*

7. Where there is a “disputed debt,” the political committee must report the disputed debt if the creditor has provided “something of value” to the political committee. 11 C.F.R. § 116.10(a). Until the dispute is resolved, the political committee must disclose any amounts paid to the creditor, any amount the political committee admits it owes, and the amount the creditor claims is owed. *Id.* § 116.10(a).

8. The Committee failed to report a \$637,615.00 debt on its 2020 30-Day Post-General Report.

V. The Committee violated 52 U.S.C. § 30104(b)(8) and 11 C.F.R. § 104.3(d) by failing to report a debt.

VI. The Committee shall take the following actions:

1. The Committee will pay a civil penalty to the Federal Election Commission in the amount of Fourteen Thousand Dollars (\$14,000), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. The Committee will cease and desist from violating 52 U.S.C. § 30104(b)(8) and 11 C.F.R. § 104.3(d).

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.

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:

BY: Charles Kitcher	Digitally signed by Charles Kitcher Date: 2023.03.09 15:27:58 -05'00'	3/9/23
Charles Kitcher Associate General Counsel	Date	

FOR THE RESPONDENT:

 David Mitrani, Counsel	2/13/2023
(Name) Brady PAC and Jeanne Connelly in her official capacity as treasurer	Date