

REPORTS ANALYSIS REFERRAL  
TO  
OFFICE OF GENERAL COUNSEL

DATE: March 22, 2005

ANALYST: Adam Ragan

- I. COMMITTEE: Stephen Adams  
(C90008657)  
2575 Vista Del Mar Drive  
Ventura, CA 93001
- II. RELEVANT STATUTE: 2 U.S.C. §434(g)(2)(A)  
11 CFR §109.10(c)  
11 CFR §100.19(d)
- III. BACKGROUND:

**Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)**

Mr. Stephen Adams (an individual) failed to file one (1) 48-Hour Notice for an independent expenditure in the amount of \$1 million, made during the 2004 Calendar Year, up to and including the 20<sup>th</sup> day before the 2004 General Election.

On October 28, 2004, Mr. Adams filed a 2004 October Quarterly Report on FEC Form 5 (Image 24038603258) which disclosed on Schedule 5-E, an independent expenditure made on September 7, 2004 to Adams Outdoor Advertising (Image 24038603260) in the amount of \$1 million which supported the General Election of George W. Bush for President.

On November 12, 2004 a Request for Additional Information ("RFAI") was sent to Mr. Adams for the 2004 October Quarterly Report (Image 24038614499). The RFAI noted that Mr. Adams failed to file a 48-Hour Notice for the million dollar expenditure. Additionally, the RFAI requested information regarding the employer and occupation of Mr. Adams in accordance to Commission Regulations. The RFAI also stated that although the Commission may take further enforcement action, any response and or clarification by Mr. Adams would be taken into consideration.

On November 30, 2004, Counsel to Mr. Adams, Brett Kappel, telephoned the RAD Assistant Branch Chief (ABC) in reference to the RFAI (Attachment 2). Mr.

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Kappel stated that Mr. Adams had been given incorrect advice by counsel at the time of the independent expenditure and was unaware of the 48-Hour Notice filing requirement. The RAD ABC directed Mr. Kappel to send in a response to the RFAI providing details concerning the expenditure.

On December 9, 2004, Mr. Kappel telephoned the RAD ABC and inquired whether his response to the RFAI had been received (Attachment 3). After checking FEC indices, the RAD ABC informed Mr. Kappel that no response had been received and asked for a faxed copy of the response<sup>1</sup>.

A response to the RFAI was received via mail by the Commission (Image 24038660493) on December 8, 2004. In the response, Mr. Kappel provided clarification concerning Mr. Adams's employer and occupation. The document, listed on the FEC Website as an Amended October Quarterly, failed to mention the issue of the missing 48-Hour Notice.

On February 25, 2005, the RAD ABC left a message for Mr. Kappel requesting a response concerning the missing 48-Hour Notice that had been previously discussed (Attachment 4). Mr. Kappel failed to return the call to the RAD ABC.

As of March 22, 2005, no further communications have been received from either Mr. Adams or Mr. Kappel.

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<sup>1</sup> At the time of the conversation between Mr. Kappel and the RAD ABC on December 9, 2004, the document (received on December 8, 2004) was not yet viewable via the Commission index or imaging system.

FEDERAL ELECTION COMMISSION  
OGC INDEX - (0) (2003-2004)

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STEPHEN ADAMS  
STEPHEN ADAMS  
FILING FREQUENCY: QUARTERLY

2575 VISTA DEL MAR DRIVE

VENTURA

INDEPENDENT EXPENDITURE ID #C90008657  
CA 93001

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
RQ	Q3	2		11/12/2004	4	24038614499	7/01/2004 9/30/2004					
3	Q3	N	P	10/28/2004	4	24038603258	7/01/2004 9/30/2004	-	1000000	1000000	-	-
3	Q3	A	P	12/08/2004	2	24038660493	7/01/2004 9/30/2004	-	-	-	-	-
TOTAL									1000000	1000000		

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