



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Blakeley Hall, Esq.
Hall for Congress Committee
207 East Rusk Street
Rockwall, TX 75087

APR 13 2016

RE: MUR 6994
Hall for Congress Committee

Dear Mr. Hall,

On April 7, 2016, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of Hall for Congress Committee (Ralph Hall-Rockwall, Texas) and you in your official capacity as treasurer, in settlement of a violation of 52 U.S.C. § 30104(b)(8), a provision 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 Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and 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 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Christine C. Gallagher

Christine C. Gallagher
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 6994
Hall for Congress Committee (Ralph Hall – Rockwall, Texas))	
and J. Blakeley Hall in his 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 Hall for Congress Committee (Ralph Hall – Rockwall, Texas) and J. Blakeley Hall in his official capacity as treasurer ("Respondent" or the "Committee") violated 52 U.S.C. § 30104(b)(8).

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 in this matter are as follows:

1. Hall for Congress Committee (Ralph Hall – Rockwall, Texas) is a political committee within the meaning of 52 U.S.C. § 30101(4), and is the principal campaign committee of Ralph Hall. See 52 U.S.C. § 30101(5).

2. J. Blakeley Hall is the treasurer of Hall for Congress Committee (Ralph Hall – Rockwall, Texas).

3. Committee treasurers are required to file reports of receipts and disbursements in accordance with the provisions of the Act. 52 U.S.C. § 30104(a)(1). The reports must include the amount and nature of outstanding debts and obligations owed by or to the political committee. 52 U.S.C. § 30104(b)(8).

4. The Commission's regulations specify, in pertinent part, that a debt or obligation exceeding \$500 must be disclosed in the report that covers the date on which the debt or obligation is incurred. *See* 11 C.F.R. § 104.11(b). If the exact amount of the debt is not known, then the report must state that the amount reported is an estimate. *Id.* Once the exact amount is determined, the committee must either amend the report containing the estimate, or indicate the correct amount on the report for the reporting period in which such amount is determined. *Id.*

5. On July 15, 2014, the Committee filed its original 2014 July Quarterly Report disclosing no debts owed to Booker Industries, Inc. for advertising, mailing and printing costs incurred from May 8, 2014, and June 30, 2014, which fell within the 2014 July Quarterly reporting period.

6. On January 27, 2015, the Committee filed an amended 2014 July Quarterly Report disclosing \$150,000 in debt owed to Booker Industries, Inc.

7. Following the amended report, the Reports Analysis Division ("RAD") sent a Request for Additional Information ("RAI") to the Committee on March 3, 2015, requesting clarification regarding the increase in debts disclosed.

8. In response to the RAI, the Committee filed FEC Form 99 (Miscellaneous Report) on March 18, 2015, which stated in part:

The information disclosed on our amendment was not included on the original report due to on [sic] oversight by our committee. We are aware that this information is required for full public disclosure and are

reviewing our reporting procedures to insure [sic] that our Committee's reports include all activity required by the Federal Election Commission.

9. On April 13, 2015, the Committee filed a Second Amended 2014 July Quarterly Report disclosing \$330,000 in debt owed to Booker Industries, Inc., all of which were incurred during the reporting period. The report also included a memo text, which stated, "This amount is just an estimate. The total amount of debt owed is still being determined."

10. On October 13, 2015, the Committee amended its 2014 July Quarterly Report for a third time to disclose the amount of the debt owed to Booker Industries as \$297,040.43. The report contains a memo text stating: "The [a]mended amount reflects an accurate total of the invoices billed that Booker Industries claims to be owed by the Hall for Congress Committee. Of that total \$47,865.00 is still subject to discussion & dispute with the vendor."

11. Respondent contends that in February 2016 it met with Booker Industries to negotiate and resolve the remaining debt. At that meeting, the Committee learned of additional charges for consultant work used by Booker Industries, which the Committee will be responsible to pay. Respondent further contends that the remaining balance on the debt which the Committee owes to Booker Industries, and which it will pay, is \$87,040.43.

12. Respondent acknowledges the reporting error but contends that it was an unintentional mistake, which it corrected.

V. Respondent violated 52 U.S.C. § 30104(b)(8) by failing to report its debt owed to Booker Industries, which was incurred during the reporting period, on its original 2014 July Quarterly Report.

VI. Respondent will take the following actions:

- a. In ordinary circumstances, the Commission would seek a substantially higher civil penalty based on the violations outlined in this agreement as well as the mitigating

circumstances. However, the Commission is taking into account the fact that the Committee plans to terminate, has very little cash, has a limited ability to raise additional funds, and is repaying significant debt. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Four Thousand Dollars (\$4,000) pursuant to 52 U.S.C. § 30109(a)(5)(A).

- b. Respondent agrees not to violate 52 U.S.C. § 30104(b)(8) in the future;
- c. Respondent will amend its disclosure reports to reflect the final amount of the debt owed to Booker Industries.

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 requirement 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

Daniel A. Petalas
Acting General Counsel

BY:

Karl G. H.

Kathleen Guith

Acting Associate General Counsel for Enforcement

Date 4/12/16

FOR THE RESPONDENT:

Blakely Hall

Name/Position:

March 10 2018
Date