1	BEFORE THE FEDERAL ELECTION COMMISSION
2 3 4 5 6 7	In the Matter of) The 60 Plus Association, Inc.) Output Description: MUR 6816 Output Description: Out
8 9	CONCILIATION AGREEMENT
10	
11	This matter was generated by a complaint filed with the Federal Election Commission
12	("Commission"). The Commission found reason to believe that The 60 Plus Association, Inc.
13	("60 Plus") violated 52 U.S.C. § 30104(c)(2)(C) and (f)(2) and 11 C.F.R. §§ 109.10(e)(1)(vi) and
14	104.20(e)(9) by failing to disclose that the Center to Protect Patient Rights ("CPPR") provided
15	funds for the purpose of furthering independent expenditures and electioneering communications
16	in connection with the 2010 federal elections.
17	NOW, THEREFORE, the Commission and the Respondent, having participated in
8 1	informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree
19	as follows:
20	I. The Commission has jurisdiction over the Respondents and the subject matter of this
21	proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C.
22	§ 30109(a)(4)(A)(i).
23	II. Respondents have had a reasonable opportunity to demonstrate that no action should be
24	taken in this matter.
25	III. Respondents enter voluntarily into this agreement with the Commission.
26	IV. The pertinent facts in this matter are as follows:
27	FACTUAL BACKGROUND
28	1. 60 Plus is non-profit corporation organized under section 501(c)(4) of the Internal
29	Revenue Code ("IRC"). In 2010, 60 Plus sponsored \$6,698,293 in independent expenditures and
	Page 1 of 6

- 1 \$397,838 in electioneering communications in connection with federal elections for the House of
- 2 Representatives.
- CPPR is a non-profit corporation organized under section 501(c)(4) of the IRC.
- 4 As part of a consulting agreement, Sean Noble served as CPPR's Executive Director in 2009
- 5 and 2010. CPPR changed its name to American Encore in February 2014. In 2010, CPPR
- 6 provided a total of \$8,990,000 in grants to 60 Plus. CPPR provided those funds in installments
- 7 throughout the year as 60 Plus sponsored independent expenditures and electioneering
- 8 communications.
- 9 3. Noble is also the owner and sole member of Noble Associates. Noble Associates
- served as a subcontractor to media firms that 60 Plus retained to help produce and develop
- advertising that targeted certain candidates for the House of Representatives in 2010.
- During its 2009 and 2010 fiscal years, 60 Plus raised a total of \$34,584,571 and
- received 165,428 donations from more than 77,500 donors with an average donation size of
- \$209. Although CPPR provided a total of \$8,990,000 in grants to 60 Plus in 2010, these funds
- 15 comprised only 25% of the total donations that 60 Plus received during its 2009 and 2010 fiscal
- 16 years.
- 5. 60 Plus spent \$7,096,131.00 for advertisements targeting candidates for the 2010
- House of Representatives races. Using the average cost method, 60 Plus determined from an
- accounting perspective that it spent \$4,049,608.21 on independent expenditures and \$239,777.07
- 20 on electioneering communications in 2010 with funds that CPPR had provided while Noble
- 21 served as its Executive Director.
- 22 6. As described in the Commission's Factual and Legal Analysis, the available
- 23 information including Noble's own statements, reflects that Noble helped 60 Plus produce
- 24 advertisements opposing certain candidates running for the House of Representatives in 2010.

- 1 That information indicates that Noble helped to determine advertisement placement strategy in
- 2 his capacity as the sole owner of Noble Associates. In that role, Noble identified the specific
- 3 candidates for 60 Plus to target and played a role in approving the content of 60 Plus's
- 4 advertisements, and learned how 60 Plus would use the funds that CPPR provided 60 Plus to
- 5 further specific advertisements. Thus, as Executive Director of CPPR and as the sole owner of
- 6 Noble Associates, a subcontractor to 60 Plus's media vendors, Noble simultaneously provided
- 7 funds through CPPR for 60 Plus's independent expenditure and electioneering communications
- 8 campaign in 2010 while helping to produce and target those advertisements through his firm,
- 9 Noble Associates.
- 7. The available information reflects that Noble both funded and provided media services in connection with \$4,049,608.21 of 60 Plus's independent expenditures and \$239,777.07 of its electioneering communications in 2010. 60 Plus did not report that CPPR provided funds for the advertisements when it filed independent expenditure and electioneering
- communications reports with the Commission in 2010.
- 8. 60 Plus contends that during the 2010 election cycle, 60 Plus and its staff
 supervised the work of its various media vendors and ultimately made the final decisions
 concerning the content, timing and placement of all 60 Plus advertising, including its
 independent expenditures and electioneering communications. 60 Plus contends that it did not
 directly pay, retain or contract with Noble or Noble Associates to provide services to 60 Plus
 during 2010, including in connection with 60 Plus's independent expenditures and electioneering
- 21 communications disseminated during 2010. 60 Plus contends that CPPR's donations to 60 Plus
- during the 2010 election cycle were not so large that 60 Plus lacked funds from other donors to
- pay for its independent expenditures and electioneering communications.

1 9. 60 Plus contends that it has a longstanding, strict policy of not soliciting or 2 accepting donations that are earmarked, designated or otherwise encumbered for any particular 3 program or activity, including independent expenditures and electioneering communications. 60 4 Plus further contends that, in accordance with the foregoing policy, 60 Plus did not make any solicitations specifically or generally requesting donations to pay for independent expenditures or electioneering communications during 2009 and 2010. LAW

7 8 9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

5

6

- The Federal Election Campaign Act of 1971, as amended (the "Act") requires 10. persons, other than political committees, to report independent expenditures that exceed \$250 during a calendar year. 52 U.S.C. § 30104(c)(1). Such a report must include, among other information, "the identification of each person who made a contribution in excess of \$200 to the person filing such statement which was made for the purpose of furthering an independent expenditure." Id. § 30104(c)(2)(C).
- The Commission's implementing regulation provides that an independent 11. expenditure report must include "[t]he identification of each person who made a contribution in excess of \$200 to the person filing such report which contribution was made for the purpose of furthering the reported independent expenditure." 11 C.F.R. § 109.10(e)(1)(vi).
- The Act also provides that a person that has made electioneering communications. 12. aggregating in excess of \$10,000 in a calendar year must file a disclosure statement. 52 U.S.C. § 30104(f)(1). Such a report must include, among other information, "the names and addresses of all contributors who contributed an aggregate amount of \$1,000 or more to the person making the disbursement" during a specified time period. *Id.* § 30104(f)(2).
- Commission regulations in effect at the time of the conduct in question provided 13. that when an electioneering communication has been financed by a corporation or a labor

- organization, pursuant to 11 C.F.R. § 114.15, these statements must disclose the names and
- 2 addresses of all those who donated an aggregate amount of \$1,000 or more within a specified
- 3 time period "for the purpose of furthering electioneering communications." 11 C.F.R.
- 4 § 104.20(c)(9).
- 5 V. The Commission found reason to believe that 60 Plus violated 52 U.S.C.
- 6 § 30104(c)(2)(C) and (f)(2) and 11 C.F.R. §§ 109.10(e)(1)(vi) and 104.20(c)(9) by failing to
- 7 disclose CPPR as a donor in its independent expenditures and electioneering communications
- 8 reports. Solely in the interest of resolving this matter, and without admitting or conceding any
- 9 violation of law, Respondent agrees to take the following actions:
- 10 1. Respondent will pay a civil penalty to the Federal Election Commission in the
- amount of fifty thousand dollars (\$50,000) pursuant to 52 U.S.C. § 30109(a)(5)(A).
- 2. Respondent will comply with 52 U.S.C. § 30104(c)(2)(C) and (f)(2) and 11
- 13 C.F.R. §§ 104.20(c)(9) and 109.10(e)(1)(vi) in the future.
- 14 3. In consultation with the Reports and Analysis Division, Respondent will amend
- its disclosure reports to reflect CPPR as a donor with respect to the relevant independent
- 16 expenditures and electioneering communications.
- 17 VI. The Commission, on request of anyone filing a complaint under 52 U.S.C § 30109(a)(1)
- 18 concerning the matters at issue herein or on its own motion, may review compliance with this
- 19 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
- 21 of Columbia.
- 22 VII. This agreement shall become effective as of the date that all parties hereto have executed
- 23 same and the Commission has approved the entire agreement.

MUR 6816 (The 60 Plus Association, Inc.) Conciliation Agreement

17 18 19

1 VIII. Except as otherwise provided, Respondents shall have no more than 90 days from the 2 date this agreement becomes effective to comply with and implement the requirements contained 3 in this agreement and to so notify the Commission. 4 IX. This Conciliation Agreement constitutes the entire agreement between the parties on the 5 matters raised herein, and no other statement, promise, or agreement, either written or oral, made 6 by either party or by agents of either party, that is not contained in this written agreement shall 7 be enforceable. 8 FOR THE COMMISSION: 9 7-6-16 10 11 Kathleen Guith Acting Associate General Counsel 12 For Enforcement 13 14 15 FOR THE RESPONDENT: 16