

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

DEC 13 2006

SECRETARY

2006 DEC 13 F 4:30

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3 In the Matter of)
4)
5 Rick Renzi for Congress and Nancy H.)
6 Watkins, in her official capacity as treasurer)

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SENSITIVE

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9 **GENERAL COUNSEL'S REPORT #3**
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11 **I. ACTIONS RECOMMENDED**

12 Accept the attached conciliation agreement with Rick Renzi for Congress and Nancy H.
13 Watkins, in her official capacity as treasurer (the "Committee" or "Respondents"), and close the
14 file in this matter.

15 **II. BACKGROUND**

16 Attached is a signed conciliation agreement, settling violations of 2 U.S.C. §§ 434(b)(1),
17 (2), (4), 434(b)(2)(F), and 11 C.F.R. § 102.17(c)(8)(i)(B) in connection with the Committee's
18 failure to accurately disclose cash on hand, receipts, and disbursements on its 2002 October
19 Quarterly, Pre-General, Post-General, and Year-End Reports. Attachment 1. Respondents have
20 agreed to pay a civil penalty of \$25,000.

21 **III. DISCUSSION**
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¹ On the same date, the Commission voted to take no further action with respect to corporate contributions allegedly made by Congressman Rick Renzi from his Subchapter S corporations to the Committee. The Commission closed the file as to Mr. Renzi and the corporations

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Accordingly, this Office recommends that the Commission accept the attached signed conciliation agreement with Rick Renzi for Congress and Nancy H. Watkins, in her official capacity as treasurer, and close the file.

IV. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Rick Renzi for Congress and Nancy H. Watkins, in her official capacity as treasurer.
2. Close the file.
3. Approve the appropriate letter.

Lawrence H. Norton
General Counsel

Rhonda J. Vosdingh
Associate General Counsel
for Enforcement

12/13/06
Date

BY:

Susan L. Lebeaux
Susan L. Lebeaux
Assistant General Counsel

Ruth Heilizer
Ruth Heilizer
Attorney

Attachments

1. Conciliation Agreement
2. Letter from Respondents dated September 29, 2006