



FEBRUARY 28, 2007

**Progress for America Voter Fund Statement on the  
Announced Settlement with the Federal Election Commission.**

Today, the Federal Election Commission (FEC) announced its settlement with Progress for America Voter Fund (PFA-VF) related to activities in 2004.

Under the terms of the settlement, PFA-VF is not admitting to any wrong doing. In order to conclude the matter, PFA-VF will pay \$750,000 and agree to register as a political committee if it undertakes any activities similar to those in 2004. With this settlement, all actions regarding PFA-VF are concluded.

PFA-VF was formed in 2004 and prior to any PFA-VF communications, the Federal Election Commission had refused to:

- clarify by advisory opinion how the newly enacted McCain-Feingold bill impacted 527 organizations (ABC PAC);
- act upon a complaint charging the 527 groups with violating the law (Bush-Cheney '04, RNC), and
- issue a rulemaking delineating permissible 527 activities.

The FEC's inactions left all 527 groups, including PFA-VF, to their own interpretation of the law. The FEC subsequently announced a "case by case" enforcement policy and opened investigations into violations of the very statutes for which the Commission had refused to provide guidance.

Responding to the announced FEC settlement, Progress for America Voter Fund legal counsel Benjamin L. Ginsburg issued the following statement:

"Today's settlement brings to close a disappointing chapter in the evolution of election law. Despite Congressional pressure to impose some set of rules or provide guidance for so called '527' groups, the FEC still refuses to do so. Given the ambiguous legal nature of this situation and the cost of litigating this dispute, PFA-VF has decided it is a more prudent use of its resources and energy to conclude this proceeding."

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