



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2357

DATE FILMED 5/6/88 CAMERA NO. 3

CAMERAMAN GRC

88040701991



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

6 February 1987

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: REFERRAL OF RUNNELS FOR CONGRESS

This is a referral of the Runnels for Congress committee ("the Committee"). The Committee has failed to file the 1986 30 Day Post-General Report of Receipts and Disbursements. According to the 1985-1986 Reports Analysis Division Review and Referral Procedures for Authorized Committees (Standard 1), further examination is required by your office.

The candidate lost the general election, held on November 4, 1986, with thirty-seven percent (37%) of the vote.

If you have any questions regarding this matter, please contact Thomas White at 376-2480.

Attachment

38040701992

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 7 February 1987

ANALYST: Thomas White

I. COMMITTEE: Runnels for Congress
(C00206961)
Orlando Cervantes, Treasurer
P.O. Box 412
Las Cruces, NM 88004

II. RELEVANT STATUTE: 2 U.S.C. §434(a)(2)(A)(ii)
11 CFR 104.5(a)(1)(ii)

III. BACKGROUND:

Failure to File a Required Report of Receipts and Disbursements

The Runnels for Congress committee ("the Committee") has failed to file the 1986 30 Day Post-General Report of Receipts and Disbursements. Prior Notice was sent September 29, 1986, informing the Committee that the report was due on December 4, 1986 (Attachment 2). A Non-Filer Notice was sent to the Committee on December 17, 1986, for failure to file the report (Attachment 3). The Non-Filer Notice informed the Committee that failure to file this report might result in audit or legal enforcement action.

On January 8, 1987, a Reports Analysis Division analyst called the treasurer to inquire about the 30 Day Post-General Report. The treasurer informed the analyst that the report would be filed as soon as possible (Attachment 4). The analyst attempted to contact the treasurer on February 5, 1987 because the report had not been filed (Attachment 5). The telephone number was no longer in service.

To date, no response has been received.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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3 3 FEDERAL ELECTION COMMISSION 4
1985-1986
CANDIDATE INDEX OF SUPPORTING DOCUMENTS - (E)

DATE 6FEB87

PAGE 1

CANDIDATE/COMMITTEE/DOCUMENT	OFFICE SOUGHT/	PARTY	RECEIPTS		DISBURSEMENTS		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
			PRIMARY	GENERAL	PRIMARY	GENERAL			
RUNNELS, MICHAEL LOWELL	HOUSE 02	DEMOCRATIC PARTY					1986 ELECTION	ID# H6NM02044	
1. STATEMENT OF CANDIDATE							1MAY86	1	86HSE/303/2691
1986 STATEMENT OF CANDIDATE									
2. PRINCIPAL CAMPAIGN COMMITTEE							ID# C00206961	HOUSE	
RUNNELS FOR CONGRESS							21MAY86	1	86HSE/304/1454
1986 STATEMENT OF ORGANIZATION							3JUL86	1	86HSE/306/0006
48 HOUR CONTRIBUTION NOTICE							20OCT86	1	86HSE/320/4435
48 HOUR CONTRIBUTION NOTICE							6NOV86	1	86HSE/323/3383
48 HOUR CONTRIBUTION NOTICE							18APR86 -14MAY86	7	86HSE/304/1481
PRE-PRIMARY			4,600		3,486		11APR86 -14MAY86	2	86HSE/314/4189
PRE-PRIMARY - AMENDMENT			-		-		18APR86 -14MAY86	3	86HSE/314/4900
PRE-PRIMARY - AMENDMENT			-		-		18APR86 -14MAY86	1	86FEC/429/0825
REQUEST FOR ADDITIONAL INFORMATION							18APR86 -14MAY86	2	86FEC/431/0573
REQUEST FOR ADDITIONAL INFORMATION 2ND							18APR86 -14MAY86	10	86HSE/311/0830
JULY QUARTERLY			25,130		22,008		15MAY86 -30JUN86	13	86HSE/318/3932
OCTOBER QUARTERLY				19,166		13,796	1JUL86 -30SEP86	14	86HSE/320/0023
OCTOBER QUARTERLY - AMENDMENT				19,166		14,546	1JUL86 -30SEP86	1	86HSE/320/1890
OCTOBER QUARTERLY - AMENDMENT				-		-	1JUL86 -30SEP86	14	86HSE/323/3951
OCTOBER QUARTERLY - AMENDMENT				19,166		16,046	1JUL86 -30SEP86	2	86FEC/450/3766
REQUEST FOR ADDITIONAL INFORMATION							1JUL86 -30SEP86	4	87FEC/452/3899
REQUEST FOR ADDITIONAL INFORMATION 2ND							1JUL86 -30SEP86	10	86HSE/320/1891
PRE-GENERAL				8,598		6,869	1OCT86 -15OCT86	11	86HSE/323/3965
PRE-GENERAL - AMENDMENT				8,598		6,869	1OCT86 -15OCT86	1	86FEC/450/3764
REQUEST FOR ADDITIONAL INFORMATION							1OCT86 -15OCT86	1	87FEC/452/3903
REQUEST FOR ADDITIONAL INFORMATION 2ND							1OCT86 -15OCT86	1	86FEC/451/3055
NOTICE OF FAILURE TO FILE							16OCT86 -24NOV86		
TOTAL			29,730	27,764	25,494	22,915		101	TOTAL PAGES
3. AUTHORIZED COMMITTEES									
4. JOINT FUNDRAISING COMMITTEES AUTHORIZED BY THE CAMPAIGN									

Ending cash-on-hand as of 10/15/86: \$10,583
 Debts and obligations owed as of 10/15/86: \$6,630
 All reports have been reviewed.

ATTACHMENT 1

GENERAL ELECTION REPORT NOTICE

FEDERAL ELECTION COMMISSION

CANDIDATE COMMITTEES

September 29, 1986

WHO MUST FILE

The principal campaign committees authorized by candidates^{1/} who are seeking election in the 1986 general elections must file the pre-election report due October 23, 1986, and the post-election report due December 4, 1986.

WHAT MUST BE REPORTED

The pre-election report must disclose all financial activity that occurred from the close of books for the last report through October 15, 1986. (Political committees that are filing a report for the first time should report all financial activity through October 15, 1986.)^{2/} The post-election report must cover all financial activity of the campaign from October 16 through November 24, 1986. (See the chart on the reverse side.) NOTE: In addition, if the campaign has more than one committee, the principal campaign committee must also file a consolidated report, (FEC Form 32). For details, see page 14 of the Campaign Guide For Congressional Candidates and Committees or 11 CFR 104.3(f).

WHEN TO FILE

Pre-election reports sent by registered or certified mail must be postmarked no later than midnight October 20, 1986. Reports hand delivered or mailed first class must be received no later than close of business October 23, 1986.

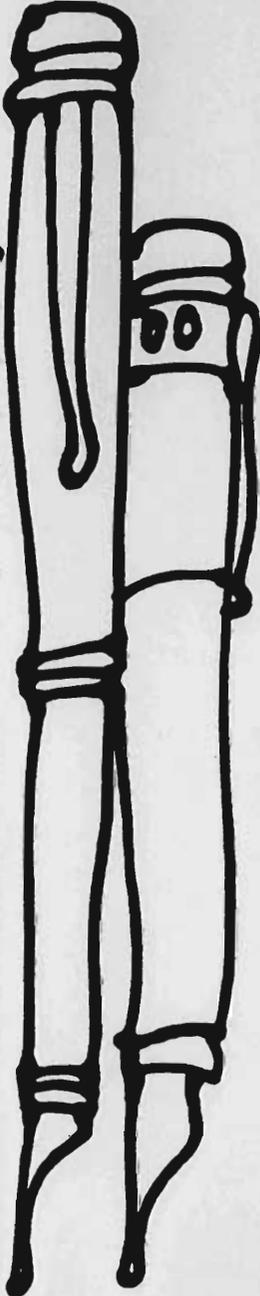
Post-election reports sent by registered or certified mail must be postmarked no later than midnight December 4, 1986. Reports hand delivered or mailed first class must be received no later than close of business December 4, 1986.

WHERE AND HOW TO FILE

Committees should consult the instructions on the enclosed FEC Form 3, for details.

^{1/}Individuals should refer to the enclosed brochure for the definition of the term "candidate," and the registration requirements. If you determine that you meet the definition of candidate, your principal campaign committee should comply with the above reporting requirements. Appropriate forms are enclosed.

^{2/}The first report filed by a committee shall include all amounts received or disbursed prior to reaching the threshold for candidate registration. See 11 CFR 101.3; 104.3(a) and (b). Activity which occurred prior to 1986, however, should be disclosed separately.



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REPORTS DUE DURING OCTOBER, DECEMBER AND JANUARY

<u>Name of Report</u>	<u>Period Covered</u>	<u>Reg/Cert. Mailing Date</u>	<u>Filing Date</u>
Oct. Quarterly	07/01* - 09/30/86	10/15/86	10/15/86
Pre-General	10/01 - 10/15/86	10/20/86	10/23/86
Post-General	10/16 - 11/24/86	12/04/86	12/04/86
Year-End	11/25 - 12/31/86	01/31/87	01/31/87

NOTE: Last Minute Contributions

Last minute contributions of \$1,000 or more received, by authorized committees, between two and 20 days before the general election, must be reported within 48 hours of their receipt. (See 11 CFR 104.5(f)).

COMPLIANCE

Political committees are fully liable for failure to file any report required under the Act. Failure to file in a timely fashion is a serious violation. Offending committees are subject to enforcement action. Committees must also submit legible reports which can be clearly reproduced. Illegible reports which can not be clearly reproduced and reports submitted on non-FEC forms will not be accepted, and committees filing such documents will be required to refile.

*Committees should use this date, the closing date of the last report filed, or the date of candidate status, whichever is later. See also footnote 2 on page 1.

**FOR INFORMATION CALL: Information Services Division
800/424-9530 or 202/376-3120**

33040701996



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-7

December 17, 1986

Orlando Cervantes, Treasurer
Runnels for Congress
P.O. Box 412
Las Cruces, NM 88004

Identification Number: C00206961

Reference: 30 Day Post-General Report (10/16/86-11/24/86)

Dear Mr. Cervantes:

It has come to the attention of the Federal Election Commission that you may have failed to file the above referenced Report of Receipts and Disbursements as required by the Federal Election Campaign Act. You were previously notified of the due date for this report.

It is important that you file this report immediately with the Clerk of the House, Office of Records and Registration, 1036 Longworth House Office Building, Washington, DC 20515, or the Secretary of the Senate, 232 Hart Senate Office Building, Washington, DC 20510, as appropriate. A copy of the report should also be filed with the Secretary of State or equivalent state officer of your state.

The failure to file this report may result in an audit or legal enforcement action.

If you have any questions regarding this matter, please contact Rose Evans on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibson
John D. Gibson
Assistant Staff Director
Reports Analysis Division

83040701997

MEMORANDUM FOR FILES: TELECON

SUBJECT: Failure to file the 30 Day Post-General Report

FROM: Rose Evans

TO: Orlando Cervantes

NAME OF COMMITTEE: Runnels for Congress (C00206961)

DATE: January 8, 1987

I spoke with Mr. Cervantes and reminded him that the Committee had failed to file the 30 Day Post-General Report. He said that he would work on it and get it in as soon as he could.

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MEMORANDUM FOR FILES: TELECON

SUBJECT: Non-filing of Thirty Day Post General Report

FROM: Thomas R. White, Reports Analyst

TO: Orlando Cervantes, Treasurer

NAME OF COMMITTEE: Runnels for Congress (C00206961)

DATE: February 5, 1987

The analyst tried to phone the Committee but got a recorded message "that the number was no longer in service." The analyst tried the number again, to be sure he had dialed the correct number, and received the same recorded message.

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FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION:

RAD Referral #87NF-7
STAFF MEMBER:
Shelley Garr

SOURCE OF MUR: **I N T E R N A L L Y G E N E R A T E D**

RESPONDENT'S NAMES: Runnels for Congress Committee
Orlando Cervantes, Treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(2)(A)(ii)

INTERNAL REPORTS
CHECKED: FEC Disclosure Documents

FEDERAL AGENCIES
CHECKED: N/A

GENERATION OF MATTER

The Runnels for Congress Committee ("the Committee") and Orlando Cervantes, as Treasurer, were referred to the Office of General Counsel by the Reports Analysis Division for failing to file a 1986 30 Day Post General Report.

SUMMARY OF ALLEGATIONS

Prior notice was sent September 29, 1986, informing the Committee that the report was due on December 4, 1986. A Non-Filer Notice was sent to the Committee on December 17, 1986, for failure to file the report. The Non-Filer Notice informed the Committee that failure to file this report might result in audit or legal enforcement action.

On January 8, 1987, a Reports Analysis Division analyst called the treasurer to inquire about the 30 Day Post-General Report. The treasurer informed the analyst that the report would be filed as soon as possible. The analyst attempted to contact

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the treasurer on February 5, 1987, however, the telephone number was no longer in service.

As of this date, the Committee has failed to file the report.

LEGAL AND FACTUAL ANALYSIS

Pursuant to 2 U.S.C. § 434(a)(2)(A)(ii) political committees which are the principal campaign committees of a candidate for the House of Representatives or for the Senate are required to file in any calendar year during which there is a regularly scheduled election for which such candidate is seeking election, or nomination for election, a post-general election report which shall be filed no later than the 30th day after any general election, and which shall be complete as of the 20th day after such general election.

The Committee's failure to file its 1986 30 Day Post General Election Report is, in the view of this Office, a violation of 2 U.S.C. § 434(a)(2)(A)(ii).

RECOMMENDATIONS

The Office of General Counsel recommends that the Commission:

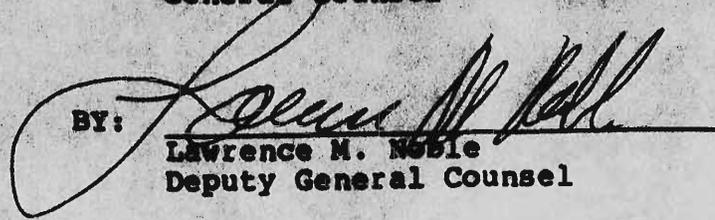
1. Open a MUR;
2. Find reason to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii);

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3. Approve the attached letter and legal and factual analysis.

Charles M. Steele
General Counsel

2/26/87
Date

BY: 
Lawrence M. Noble
Deputy General Counsel

Attachments

1. Referral
2. Proposed letter and legal and factual analysis

23040702002



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ JOSHUA MCFADDEN *JM*

DATE: MARCH 3, 1987

SUBJECT: COMMENTS TO RAD Ref. 87NF-7: FIRST G.C. REPORT
SIGNED FEBRUARY 26, 1987

Attached is a copy of Commissioner Thomas's
vote sheet with comments regarding the above-captioned matter.

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Attachment:
copy of vote sheet

BALLOT

SENSITIVE



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DATE & TIME TRANSMITTED: FRIDAY, FEBRUARY 27, 1987 2:00

COMMISSIONER: AIKENS, ELLIOTT, JOSEPIAK, McDONALD, MCGARRY, THOMAS

RETURN TO COMMISSION SECRETARY BY TUESDAY, MARCH 3, 1987 4:00

SUBJECT: RAD Ref. 87NF-7 - FIRST GENERAL COUNSEL'S REPORT
SIGNED FEBRUARY 26, 1987

MAR 3 10:41

83040702004

- I approve the recommendation
- I object to the recommendation

COMMENTS: "Las Cruces" in letter

DATE: 3/3/87 SIGNATURE [Signature]

A DEFINITE VOTE IS REQUIRED. ALL BALLOTS MUST BE SIGNED AND DATED.
PLEASE RETURN ONLY THE BALLOT TO THE COMMISSION SECRETARY.
PLEASE RETURN BALLOT NO LATER THAN DATE AND TIME SHOWN ABOVE.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Runnels for Congress Committee)
Orlando Cervantes, Treasurer)

RAD Ref. 87NF-7

MUR
(2357)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 3, 1987, the Commission decided by a vote of 5-0 to take the following actions in RAD Ref. 87NF-7:

1. Open a MUR.
2. Find reason to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii).
3. Approve the letter and legal factual analysis, as recommended in the First General Counsel's Report signed February 26, 1987.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Josefiak did not cast a vote.

Attest:

3-2-87

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

08040702005



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 6, 1987

Orlando Cervantes, Treasurer
Runnels for Congress Committee
P.O. Box 412
Las Cruces, NM 88004

RE: MUR 2357
Runnels for Congress
Committee
Orlando Cervantes,
Treasurer

Dear Mr. Cervantes:

On March 3, 1987, the Federal Election Commission determined that there is reason to believe that the Runnels for Congress Committee and you, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within fifteen days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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JLM

Orlando Cervantes, Treasurer
Page Two

requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of General Counsel is not authorized to give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you have any questions, please contact Shelley Garr, the staff member attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Scott E. Thomas
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

88040702007

June 8, 1987

Ms. Shelly Garr
Staff Attorney
Office of the General Counsel
Federal Election Commission
Washington, D. C. 20463

87 JUN 9 4:43

RECEIVED
GENERAL COUNSEL

RE: MUR 2357
Runnels for Congress Committee
Orlando Cervantes, Treasurer

Dear Ms. Garr:

On behalf of the Runnels for Congress Committee, I would like to formally request pre-probable cause conciliation in MUR 2357.

I will acknowledge that the Committee has not been timely in its filings as required by law and accept complete responsibility for this situation.

Please address correspondence to the following address:

Runnels Committee
Post Office Box 2353
Ruidoso, New Mexico 88345

Thank you.

Sincerely yours,



MIKE RUNNELS
Of Counsel

MR:jb

RECEIVED AT THE FEC
HAND DELIVERED
87 JUN 9 11:07

88040702008

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Runnels for Congress Committee) MUR 2357
Orlando Cervantes, as treasurer)

SENSITIVE
87 JUL 17 9:59

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 3, 1987, the Commission determined that there is reason to believe that the Runnels for Congress Committee ("Committee") and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii) by failing to file its 1986 30 Day Post-General Report. The notification was resent on May 11, 1987.^{1/} By letter dated June 8, 1987, Mr. Runnels requested that this matter be settled prior to a finding of probable cause to believe (Attachment 1).

II. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

^{1/} Because the Committee's P.O. Box had been closed, the notification was returned to the Commission and subsequently resent to the treasurer's home address.

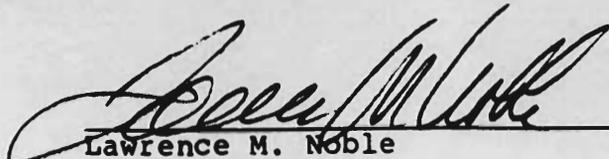
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III. GENERAL COUNSEL'S RECOMMENDATIONS

1. Enter into conciliation with the Runnels for Congress Committee and Orlando Cervantes, as treasurer, prior to a finding of probable cause to believe.
2. Approve the attached proposed conciliation agreement and letter.

Date 7/16/87



Lawrence M. Noble
Acting General Counsel

Attachments

1. Response
2. Proposed agreement and letter



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / SUSAN GREENLEE ^{sb}

DATE: JULY 21, 1987

SUBJECT: OBJECTION TO MUR 2357: General Counsel's Report
Signed July 16, 1987

The above-captioned document was circulated to the
Commission on FRIDAY, JULY 17, 1987 at 12:00 P.M.

Objections have been received from the Commissioners
as indicated by the name(s) checked:

Commissioner Aikens _____
Commissioner Elliott _____
Commissioner Josefiak _____
Commissioner McDonald _____ X
Commissioner McGarry _____
Commissioner Thomas _____

This matter will be placed on the Executive Session
agenda for July 28, 1987.

Please notify us who will represent your Division
before the Commission on this matter.

88040702011

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Runnels for Congress Committee) MUR 2357
Orlando Cervantes, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of July 28, 1987, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2357:

1. Enter into conciliation with the Runnels for Congress Committee and Orlando Cervantes, as treasurer, prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement and letter attached to the General Counsel's report dated July 16, 1987.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

July 28, 1987
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1987

Runnels for Congress Committee
c/o Mike Runnels
P.O. Box 2353
Ruidoso, NM 88345

RE: MUR 2357
Runnels for Congress
Committee,
Orlando Cervantes, as
treasurer

Dear Mr. Runnels:

On March 3, 1987, the Commission found reason to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii). At your request, the Commission determined on July 28, 1987, to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Shelley Garr, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Lawrence M. Noble
Acting General Counsel

Enclosures

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run

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

SENSITIVE

87 NOV 18 AM 11:52



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 18, 1987

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble *LM*
General Counsel

SUBJECT: MUR # 2357

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondents of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe was mailed on November 18, 1987. Following receipt of the respondents' reply to this notice, this Office will make a further report to the Commission.

Attachments

- 1-Brief
- 2-Letter to respondent

33040702015



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 18, 1987

Runnels for Congress Committee
c/o Mike Runnels
P.O. Box 2353
Ruidoso, NM 88345

RE: MUR 2357
Runnels for Congress Committee
Orlando Cervantes, as
treasurer

Dear Mr. Runnels:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on March 3, 1987, found reason to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii), and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted in writing five days prior to the due date. Further, good cause must be shown.

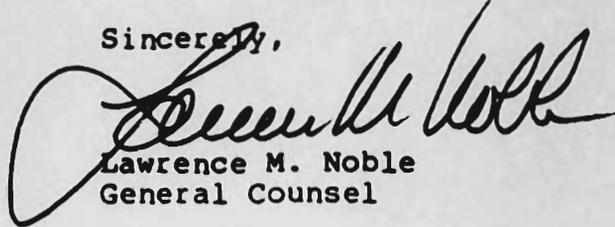
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Letter to Runnels for Congress Committee
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Shelley Garr, the staff members assigned to handle this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

38040702017

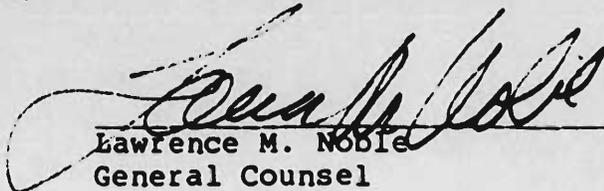
or nomination for election, a post-general election report which shall be filed no later than the 30th day after any general election, and which shall be complete as of the 20th day after such general election.

The Committee's failure to file its 1986 30 Day Post General Election Report is, in the view of this Office, a violation of 2 U.S.C. § 434(a)(2)(A)(ii).

III. GENERAL COUNSEL'S RECOMMENDATION

1. Find probable cause to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii).

11/17/87
Date _____


Lawrence M. Noble
General Counsel

38040702019

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION COMMISSION

In the Matter of)
Runnels for Congress Committee)
Orlando Cervantes, as treasurer)

88 JAN 22 PM 3:20

MUR 2357

SENSITIVE

EXECUTIVE SESSION

FEB 02 1988

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 3, 1987, the Commission determined that there is reason to believe that the Runnels for Congress Committee ("Committee") and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii) by failing to file its 1986 30 Day Post-General Report. The notification was re-sent on May 11, 1987.^{1/}

On November 18, 1987, the Office of General Counsel sent the Committee its brief recommending probable cause to believe. On December 9, 1987, after several attempts, a staff person spoke with Mr. Runnels who confirmed he had received the brief. Although respondents did not file a reply brief, based on that conversation, the Committee file its 1986 30 Day Post General Election Report on December 14, 1987.

^{1/} Because the Committee's P.O. Box had been closed, the notification was returned to the Commission and subsequently re-sent to the treasurer's home address.

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II. ANALYSIS

Pursuant to 2 U.S.C. § 434(a)(2)(A)(ii) political committees which are the principal campaign committees of a candidate for the House of Representatives or for the Senate are required to file in any calendar year during which there is a regularly scheduled election for which such candidate is seeking election, or nomination for election, a post-general election report which shall be filed no later than the 30th day after any general election, and which shall be complete as of the 20th day after such general election.

The Committee's failure to file its 1986 30 Day Post-General Election Report in a timely manner is in violation of 2 U.S.C. § 434(a)(2)(A)(ii).

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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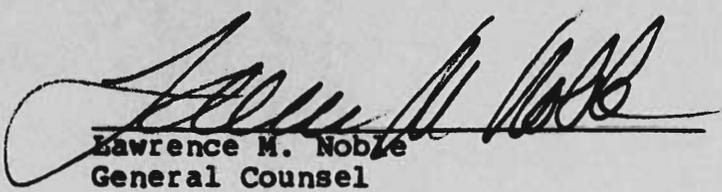
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IV. RECOMMENDATIONS

1. Find probable cause to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii); and

2. Approve the attached conciliation agreement and letter.

1/22/99
Date


Lawrence M. Noble
General Counsel

Attachments

- 1. Response
- 2. Proposed conciliation agreement and letter

Staff Person: Shelley Garr

33040702023

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Runnels for Congress Committee) MUR 2357
Orlando Cervantes, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of February 2, 1988, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2357:

1. Find probable cause to believe the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii).
2. Approve the conciliation agreement and letter attached to the General Counsel's report dated January 22, 1988.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

2/2/88
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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plm



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 4, 1988

Runnels for Congress Committee
c/o Mike Runnels
P.O. Box 2353
Ruidoso, NM 88345

RE: MUR 2357
Runnels for Congress
Committee
Orlando Cervantes, as
treasurer

Dear Mr. Runnels:

On February 2, 1988, the Federal Election Commission found that there is probable cause to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, violated 2 U.S.C. § 434(a)(2)(A)(ii), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the late filing of the Committee's 1986 30 Day Post-General Election Report.

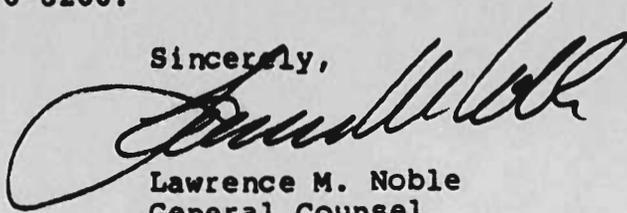
The Commission has a duty to attempt to correct such violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach an agreement during that period, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within 10 days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the Federal Election Commission.

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If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Shelley Garr, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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RECEIVED
FEDERAL ELECTION COMMISSION
88 MARCH 17 AM 10:00

POSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Runnels for Congress Committee) MUR 2357
Orlando Cervantes, as treasurer)
)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Mike Runnels of the Runnels for Congress Committee (Attachment I). The agreement contains no changes from that originally approved by the Commission on February 2, 1988.

II. RECOMMENDATION

1. Accept the agreement with the Runnels for Congress Committee and Orlando Cervantes, as treasurer;
2. Close the file; and
3. Approve the attached letter.

Lawrence M. Noble
General Counsel

Date 3/16/88

By: *Lois G. Lerner*
Lois G. Lerner
Associate General Counsel

- Attachments
1. Conciliation Agreement
 2. Proposed letter

33040702027

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Runnels for Congress Committee)	MUR 2357
)	
Orlando Cervantes, as treasurer)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 21, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2357:

1. Accept the agreement with the Runnels for Congress Committee and Orlando Cervantes, as treasurer, as recommended in the General Counsel's report signed March 16, 1988.
2. Close the file.
3. Approve the letter, as recommended in the General Counsel's report signed March 16, 1988.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

3/21/88

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs.,	3-17-88,	11:00
Circulated on 48 hour tally basis:	Thurs.,	3-17-88,	11:00
Deadline for vote:	Mon.,	3-21-88,	11:00

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plm



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 24, 1988

Runnels for Congress Committee
c/o Mike Runnels
P.O. Box 2353
Ruidoso, NM 88345

RE: MUR 2357
Runnels for Congress Committee
Orlando Cervantes, as treasurer

Dear Mr. Runnels:

On March 21, 1988, the Federal Election Commission accepted the signed conciliation agreement submitted on behalf of the Runnels for Congress Committee and Orlando Cervantes, as treasurer, in settlement of a violation of 2 U.S.C. § 434(a)(2)(A)(ii), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Shelley Garr, the staff member assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

830407029

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Runnels for Congress Committee) MUR 2357
Orlando Cervantes, as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found probable cause to believe that the Runnels for Congress Committee and Orlando Cervantes, as treasurer, (hereinafter "the Respondents") violated 2 U.S.C. § 434(a)(2)(A)(ii).

NOW THEREFORE, the Commission and Respondents, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over Respondents, and the subject matter of this proceeding.

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent Runnels for Congress Committee is a political committee registered with the Commission.

2. Orlando Cervantes is the treasurer of the Runnels for Congress Committee.

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3. Respondents were required to file its 1986 30 Day Post-General Election Report by December 4, 1986.

Respondents filed its 1986 30 Day Post General Election Report on December 14, 1987, 375 days late.

V. Pursuant to 2 U.S.C. § 434(a)(2)(A)(ii), all political committees which are authorized committees of a candidate, are required to file a post-general election report, which shall be filed no later than the 30th day after any general election in which such candidate has sought election, and which shall be complete as of the 20th day after such general election.

VI. Respondents' failure to file its 1986 30 Day Post-General Report in a timely manner is in violation of 2 U.S.C. § 434(a)(2)(A)(ii).

VII. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Three Thousand Dollars (\$3,000.00) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(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.

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IX. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

X. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. 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 either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:

Lawrence M. Noble (HJ) 3/24/88
Lawrence M. Noble Date
General Counsel

FOR THE RESPONDENT:

Mike Rummel 2-21-88
Date

38040702032



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

THIS IS THE END OF MUR # 2357

DATE FILMED 5/6/88 CAMERA NO. 3

CAMERAMAN GPC

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

- NY-25.48

THE FOLLOWING MATERIAL IS BEING ADDED TO THE
PUBLIC FILE OF CLOSED MUR 3357.

38040712728

plm



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 2, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Runnels for Congress Committee
c/o Mike Runnels
P.O. Box 2353
Ruidoso, NM 888345

RE: MUR 2357
Runnels for Congress Committee
Orlando Cervantes, as treasurer

Dear Mr. Runnels:

On March 21, 1988, the Federal Election Commission accepted the conciliation agreement signed by you in settlement of the above-referenced matter. Pursuant to Section VII of that agreement, you agreed to pay a civil penalty of \$3,000.

To date, however, the Commission has not received payment from you. The Commission requests payment of the civil penalty, in full, within 15 days of receipt of this letter. If such payment is not received by that date, the Commission may institute a civil action against you for failure to comply with the terms of the conciliation agreement. See 2 U.S.C. § 437g(a)(5)(D).

If you have any questions regarding this matter, please contact Shelley Garr at (202) 376-8200.

Sincerely,

Lois G. Lerner
Associate General Counsel

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