



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2468  
DATE FILMED 4/23/88 CAMERA NO. 4  
CAMERAMAN GR

88040700300



## FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

May 22, 1987

MEMORANDUM

TO: LAWRENCE M. NOBLE  
ACTING GENERAL COUNSEL

THROUGH: JOHN C. SURINA  
STAFF DIRECTOR

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

SUBJECT: QUARTERLY FILERS (UNAUTHORIZED COMMITTEES) WHICH  
FAILED TO FILE THE 1986 12 DAY PRE-GENERAL REPORT  
BY ELECTION DAY

The attached list of unauthorized committees consists of forty-nine (49) quarterly filers which failed to file a 1986 12 Day Pre-General Report by Election Day, November 4, 1986. In accordance with Standard 3 of the RAD Review and Referral Procedures, further examination is required by your office.

Unlike the mandatory reporting requirement placed upon monthly filers, 2 U.S.C. §434(a)(4)(A)(ii) requires quarterly filers to submit 12 Day Pre-General Reports only if the committees make contributions to or expenditures on behalf of federal candidates involved in the general election. All unauthorized committees were sent prior notification regarding the pre- and post-general filing requirements on September 29, 1986 (Attachment 50).

The Party/Non-Party Branch conducted a thorough examination to identify quarterly filers disclosing contributions or expenditures between October 1 and October 15, 1986. The research revealed committees that submitted:

- a) 12 Day Pre-General Reports in an untimely manner;
- b) 30 Day Post-General Reports indicating that 12 Day Pre-General Reports should have been filed; and
- c) Year End Reports indicating that 12 Day Pre-General Reports should have been filed.

ATTACHMENT 1

R 3 0 4 0 7 0 0 3 0 1

For your information, the pertinent supporting documentation on each committee has been arranged in alphabetical order. Statistics on all C indices only reflect activity through December 31, 1986. Any reports disclosing activity in 1987 have not been reviewed.

The following committees were previously referred either to your office or to the Audit Division for a possible 2. U.S.C. §438(b) audit.

83040700302

Attachments

**AMERICAN CRYSTAL SUGAR POLITICAL ACTION COMMITTEE**

**(Attachments 2a - 2f)**

83040700303

FEDERAL ELECTION COMMISSION  
 COMMITTEE REPORT OF CONTRIBUTIONS AND DISBURSEMENTS (C) (1986)

DATE 12MAY87  
 PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	TYPE OF CILER COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
AMERICAN CRYSTAL SUGAR POLITICAL ACTION COMMITTEE			NON-PARTY QUALIFIED		ID #C00110330	
CONNECTED ORGANIZATION: AMERICAN CRYSTAL SUGAR COMPANY						
1985	APRIL QUARTERLY	27,075	24,044	1JAN85 - 31MAR85	9	85FEC/371/3277
	JULY QUARTERLY	21,815	17,000	1APR85 - 30JUN85	14	85FEC/379/2632
	OCTOBER QUARTERLY	2,500	24,800	1JUL85 - 30SEP85	12	85FEC/389/2047
	YEAR-END	2,112	33,310	1OCT85 - 31DEC85	12	86FEC/395/3142
	YEAR-END - AMENDMENT	2,142	32,335	1OCT85 - 31DEC85	13	86FEC/404/3979
1986	APRIL QUARTERLY	21,744	22,972	1JAN86 - 31MAR86	12	86FEC/410/5224
	JULY QUARTERLY	22,250	21,970	1JAN86 - 30JUN86	15	86FEC/422/0440
	OCTOBER QUARTERLY	4,722	27,500	1JAN86 - 30SEP86	11	86FEC/436/4270
	POST-GENERAL	2,131	19,550	1JAN86 - 24NOV86	9	86FEC/449/2892
	POST-GENERAL - AMENDMENT	2,131	19,550	1JAN86 - 24NOV86	9	87FEC/454/4235
	POST-GENERAL - AMENDMENT			1NOV86 - 24NOV86	8	87FEC/459/3542
	REQUEST FOR ADDITIONAL INFORMATION			1JAN86 - 24NOV86	1	87FEC/451/3392
	REQUEST FOR ADDITIONAL INFORMATION END			1JAN86 - 24NOV86	1	87FEC/451/3088
	REQUEST FOR ADDITIONAL INFORMATION			1JAN86 - 24NOV86	1	87FEC/466/5507
	YEAR-END	22,500	7,250	1JAN86 - 31DEC86	14	87FEC/455/4812
	YEAR-END - AMENDMENT	22,700	7,250	1JAN86 - 31DEC86	14	87FEC/462/4320
	YEAR-END - AMENDMENT	22,700	7,250	1JAN86 - 31DEC86	4	87FEC/467/0805
1987	APRIL QUARTERLY	152,975	52,582	1JAN87 - 31MAR87	27	87FEC/465/3909
TOTAL		401,228	300,216	0	196	TOTAL PAGES

Total receipts in 1985-1986: \$248,228  
 Total disbursements in 1985-1986: \$246,628

All 1985-1986 reports have been reviewed.  
 Ending cash-on-hand as of 12/31/86: \$50,124  
 Debts as of 12/31/86: \$0

**REPORT OF RECEIPTS AND DISBURSEMENTS**  
For a Political Committee Other Than an Authorized Committee

66 DEC 8 9:58

(Summary Page)

**1. Name of Committee (in Full)**  
American Crystal Sugar  
Political Action Committee

---

**Address (Number and Street)**  
101 North Third Street

---

**City, State and ZIP Code**  
Noorhead, MN 56540

Check here if address is different than previously reported.

---

**2. FEC Identification Number**  
C00110338

---

**3.  This committee qualified as a non-federally financed committee during this Reporting Period on N/A and**

**4. TYPE OF REPORT (Check appropriate box)**

(a)  April 15 Quarterly Report  October 15 Quarterly Report  
 July 15 Quarterly Report  January 31 Year End Report  
 July 31 Half Year Report (Non-Federal Year Only)  
 Monthly Report for \_\_\_\_\_  
 Twelfth day report preceding \_\_\_\_\_  
election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Thirtieth day report following the General Election  
on 11/4/86 in the State of MINNESOTA  
 Termination Report

(b) Is this Report an Amendment?  
 YES  NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>01/01/86</u> through <u>11/26/86</u>		
6. (a) Cash on hand January 1, 19 <u>86</u>		\$ 41,289.52
(b) Cash on hand at Beginning of Reporting Period	\$ 47823.33	
(c) Total Receipts (from Line 10)	\$ 2131.84	\$ 106,714.90
(d) Subtotal (add Lines 6(a) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 49155.17	\$ 148,004.42
7. Total Disbursements (from Line 20)	\$ 19550.00	\$ 118,399.25
8. Cash on hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 29605.17	\$ 29,605.17
9. Debts and Obligations Owed TO The Committee <small>(Itemize all on Schedule C or Schedule D)</small>	\$ -0-	
10. Debts and Obligations Owed BY the Committee <small>(Itemize all on Schedule C or Schedule D)</small>	\$ -0-	

Verify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Gerald D. Underwood  
Type or Print Name of Treasurer

*Gerald D. Underwood*  
Signature of Treasurer

12/04/86  
Date

For further information contact:  
Federal Election Commission  
950 E Street, N.W.  
Washington, D.C. 20543  
Tel: (202) 453-3434  
Telex: 225-5634

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 18 U.S.C. 1001.

All guidelines versions of FEC FORM 2 and FEC FORM 2x are obsolete and should no longer be used.

--	--	--	--	--	--	--	--

FEC FORM 2 (2/80)

86734472907

American Crystal Growers Political Action Committee		From 01-01-84	To 11-30-84	
		Column A of the Report	Column B of the Report	
<b>RECEIPTS</b>				
11. CONTRIBUTIONS (other than from 1102)				
11a Individuals/Persons Other Than Political Committees				1102a
11b Political Party Committees				1102b
11c Other Political Committees				1102c
11d TOTAL CONTRIBUTIONS (other than from Line 1102, 1102b and 1102c)	1759.00	103,749.00		1102d
12. TRANSFERS FROM AFFILIATES/OTHER PARTY COMMITTEES				12
13. ALL LOANS RECEIVED				13
14. LOAN REPAYMENTS RECEIVED				14
15. OFFSETS TO OPERATING EXPENDITURES (Funds, Loans, etc.)		38.06		15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES				16
17. OTHER RECEIPTS (Interest, Income, etc.)	979.00	2,504.25		17
18. TOTAL RECEIPTS (Add 1102d, 12, 13, 14, 15, 16 and 17)	2738.00	106,253.25		18
<b>DISBURSEMENTS</b>				
19. OPERATING EXPENDITURES		2,504.25		19
20. TRANSFERS TO AFFILIATES/OTHER PARTY COMMITTEES				20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	1050.00	115,825.00		21
22. INDEPENDENT EXPENDITURES (See Schedule G)				22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 9411 (d)(2) (See Schedule F))				23
24. LOAN REPAYMENTS MADE				24
25. LOANS MADE				25
26. REFUNDS OF CONTRIBUTIONS TO				
26a Individuals/Persons Other Than Political Committees		70.00		26a
26b Political Party Committees				26b
26c Other Political Committees				26c
26d TOTAL CONTRIBUTION REFUNDS (Add 26a, 26b, and 26c)		70.00		26d
27. OTHER DISBURSEMENTS				27
28. TOTAL DISBURSEMENTS (Add 19, 20, 21, 22, 23, 24, 25, 26d and 27)	1050.00	118,399.25		28
<b>NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES</b>				
29. TOTAL CONTRIBUTIONS (other than from Line 1102)	1759.00	103,749.00		29
30. TOTAL CONTRIBUTION REFUNDS (from Line 26d)		70.00		30
31. NET CONTRIBUTIONS (other than from Subpart Line 29 from Line 30)	1759.00	103,679.00		31
32. TOTAL OPERATING EXPENDITURES (from Line 19)		2,504.25		32
33. OFFSETS TO OPERATING EXPENDITURES (from Line 15)		38.06		33
34. NET OPERATING EXPENDITURES (Subtract Line 32 from Line 33)		2,465.39		34

930407003016

**SCHEDULE B**

**DISBURSEMENTS**

U.S. HOUSE OF REPRESENTATIVES  
 OFFICE OF THE CLERK  
 550 CAPITOL BUILDING  
 WASHINGTON, D.C. 20540

1 1 4  
 PER LINE NUMBER

Any information omitted from such Reports and Disbursements may not be added or used by any person for the purpose of influencing contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

**NAME OF COMMITTEE (in Full)**

**American Crystal Sugar Company Political Action Committee**

86734492903

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Cash Disbursement This Period
The Stallings for Congress Comm. Six E Street SE Washington, DC 20003	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	250.00
Bob Edgar for US Senate 110 South 16th St. 9th Floor Philadelphia, PA 19102	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	1000.00
Iovans for Hodgson P.O. Box 1415 Sioux City, IA 51102	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	300.00
People for Dio Guardi 850 Seventh Avenue Suite 400 NY, NY 10019	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	300.00
McCain Senate Committee	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	500.00
Claude Pepper Campaign Committee 918 - 16th St. NW #701 Washington, DC 20006	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	500.00
The Tim Johnson for SD Committee 4201 South 31st St. #918 Arlington VA 22206	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	250.00
Spence for Congress Committee 1747 Pennsylvania Avenue, NW Suite 1100	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	250.00
Citizens for Gilman 4839 Yorktown Blvd. Arlington, VA 22207	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	250.00 <i>AM</i>

**SUBTOTAL of Disbursements This Page (optional) .....** 3,800.00

**TOTAL This Period (next page this line number only) .....**

This document is the property of the  
 American Crystal Sugar Company  
 and is loaned to you for your use only.  
 It is not to be distributed to other persons.  
 If you have any questions, please contact  
 the Accounting Department.

Page 4  
 of 4  
 Date: 10/10/86

This document is the property of the American Crystal Sugar Company and is loaned to you for your use only. It is not to be distributed to other persons. If you have any questions, please contact the Accounting Department.

**American Crystal Sugar Company Political Action Committee**

86734492901

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Cash Disbursement This Period
Ugha Yoular for Senate Suite 345, 3312 Piedmont Road NE Atlanta, GA 30305	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	1000.00
Committee for Charlie Rose Fayetteville NC 28302	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/ /86	1000.00
Emerson for Congress	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/08/86	250.00
Tim Johnson for SD Box 88113 Sioux Falls, SD 57105	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/08/86	250.00
Hanninan for Congress: A Committee 4614 Kilauea Avenue Honolulu, Hawaii 96816	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		250.00
Committee for Tom Wirth P. O. Box 75428 Washington, DC 20013	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		500.00
Friends of Bruce Long 2300 Oakmont Way Suite 211 Eugene, OR 97401	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/09/86	500.00
Friends of Vin Weber P. O. Box 1690 Willmar, MN 56201	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/10/86	500.00
McClosky for Congress Committee P. O. Box 70 Bloomington, Indiana 47402	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/10/86	250.00

SUBTOTAL of Disbursements This Page (optional) .....	4500.00
TOTAL This Period (next page this line number only) .....	

MT

8 6 7 3 4

P 247 372 586

DEC 4 1980  
11031

**First Class Mail**  
**NOV 30 1980**

**RETURN RECEIPT  
REQUESTED**

<small>FROM</small>	<small>POSTAGE</small>
<b>AMERICAN CRYSTAL SUGAR COMPANY</b>	
<b>101 NORTH THIRD STREET</b>	
<b>DOORHEAD, MINNESOTA 55830</b>	
<b>- To -</b>	
<b>Federal Election Commission</b>	
<b>1325 K Street, N.W.</b>	
<b>Washington, DC 20463</b>	

Attachment 2F

11/30/80

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

FIRST GENERAL COUNSEL'S REPORT

RAD REFERRALS: 87NF-86-134  
STAFF MEMBER: George F. Rishel

27 APR 11 11:21

SOURCE OF MUR: INTERNALLY GENERATED

American Crystal Sugar Political Action Committee  
and David E. Wachal, as treasurer

83040700310

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(A)(ii)

INTERNAL REPORTS  
CHECKED: Referral Materials

FEDERAL AGENCIES  
CHECKED: None

**I. GENERATION OF MATTER**

The Report Analysis Division ("RAD") referred the above-listed 49 committees to the Office of the General Counsel on May 22, 1987. The basis of the attached referrals is their failure to either file a 12-day Pre-Election Report or file such report in a timely fashion.

**II. FACTUAL AND LEGAL ANALYSIS**

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that for unauthorized committees filing quarterly, such committees shall file a Pre-Election Report before any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election. Such report shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) such election and shall be complete as of the 20th day before the election. 2 U.S.C. § 434(a)(4)(A)(ii).

The 1986 Pre-Election Report for the 1986 General Election was due on October 23, 1986, complete as of October 15, 1986. Quarterly

93040700311

filers were notified on September 29, 1986, of the requirement for filing the Pre-Election Report.

The following committees filed a 12-Day Pre-Election Report, but did not file it in a timely fashion:

<u>Committee</u>	<u>Date Filed</u>	<u>Pre-Election Activity</u>
------------------	-------------------	------------------------------

83040700312

The following committees filed a 1986 Post-General Report that disclosed activity indicating a 12-Day Pre-Election Report should have been filed:

<u>Committee</u>	<u>Date Filed</u> <sup>1/</sup>	<u>Pre-Election Activity</u>
American Crystal Sugar PAC	12-4-86 (42 days late)	\$8,300 in contributions to 18 candidates.

<sup>1/</sup> The date filed is that on which the Post-General Election Report was filed. The number of days late is that for the filing of the 12-Day Pre-Election Report. In some cases, the Post-General Election Report was filed after December 4, 1986. The late filings of such reports, however, were not included as a basis for these referrals. Therefore, no recommendations have been made with respect to the late filing of any Post-General Election Report.

93040700313

The following committees filed a Year End Report disclosing activity indicating that 12-Day Pre-Election Report should have been filed:

<u>COMMITTEE</u>	<u>Date Filed<sup>4/</sup></u>	<u>Pre-Election Activity</u>
------------------	--------------------------------	------------------------------

Accordingly, with regard to 48 of these 49 committees, the Office of the General Counsel recommends that the Commission open Matter Under Review and find reason to believe these committees

<sup>4/</sup> See footnote 1.

88040700314

**III. RECOMMENDATIONS**

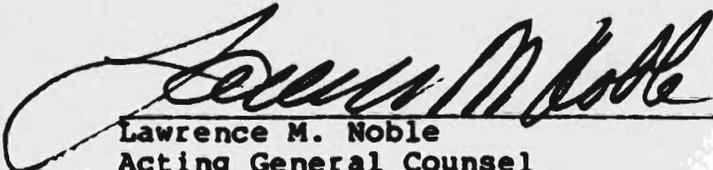
1. Open Matters Under Review with respect to the following committees and find reason to believe the following committees and their treasurers violated 2 U.S.C. § 434(a)(4)(A)(ii):

American Crystal Sugar Political Action Committee  
and David E. Wachal, as treasurer

33049700315

2. Approve and send the attached letters and factual and legal analyses to the respective committees listed in recommendation 1.
- 3.

6/10/57  
Date

  
Lawrence M. Noble  
Acting General Counsel

**Attachments**

1. Referral Materials
2. Letters and Factual and Legal Analyses (48)

88040700316



Federal Election Commission  
Certification for RAD Ref.'s 87NF-86  
through 87NF-134  
June 15, 1987

Page 2

88040700318

(continued)



Federal Election Commission  
Certification for RAD Ref.'s 87NF-86  
through 87NF-134  
June 15, 1987

Page 4

88040700320

(continued)

Federal Election Commission  
Certification for RAD Ref.'s 87NF-86  
through 87NF-134  
June 15, 1987

Page 5

88040700321

(continued)

Federal Election Commission  
Certification for RAD Ref.'s 87NF-86  
through 87NF-134  
June 15, 1987

Page 6

2. Approve and send the letters and factual and legal analyses to the respective committees listed in recommendation 1.

3

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

Attest:

6-16-87

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

Received in Office of Commission Secretary: Thurs., 6-11-87, 12:34  
Circulated on 48 hour tally basis: Thurs., 6-11-87, 4:00  
Deadline for vote: Mon., 6-15-87, 4:00

83740700322



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 29, 1987

David E. Wachal, Treasurer  
American Crystal Sugar Political  
Action Committee  
101 North Third Street  
Moorhead, MN 56560

RE: MUR 2468  
American Crystal Sugar  
Political Action Committee and  
David E. Wachal, as treasurer

Dear Mr. Wachal:

On June 15, 1987, the Federal Election Commission found that there is reason to believe American Crystal Sugar Political Action Committee ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(ii), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The 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 the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the 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 the 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 the 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.

38040700323

*Ren*

Further, the Commission will not entertain requests for pre-probable cause conciliation 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 the General Counsel will not ordinarily 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 authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact John Drury, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form

9 8 0 4 0 7 0 0 3 2 4

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: American Crystal Sugar  
Political Action Committee  
and David E. Wachal,  
as treasurer

MUR: 2468

33040700325

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that for unauthorized committees filing quarterly, such committees shall file a Pre-Election Report before any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election. Such report shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) such election and which shall be complete as of the 20th day before the election. 2 U.S.C. § 434(a)(4)(A)(ii).

The 1986 Pre-Election Report for the 1986 General Election was due on October 23, 1986, and complete as of October 15, 1986. Quarterly filers were notified on September 29, 1986, of the requirement for filing the Pre-Election Report. The committee filed a 1986 Post-General Election Report that disclosed \$8,300 in contributions to 18 candidates between October 1, 1986, and October 15, 1986. Thus, the committee was required to file a 12-Day Pre-Election Report by October 23, 1986, and complete as of October 15, 1986. The Committee did not file a report disclosing this activity until it filed its 1986 Post-General Election Report on December 4, 1986. Accordingly, the committee and its treasurer have violated 2 U.S.C. § 434(a)(4)(A)(ii).

**AMERICAN CRYSTAL SUGAR  
POLITICAL ACTION  
COMMITTEE**

CCC#3821  
RECEIVED AT THE FEC

Mon 2468  
87 JUL 6 12:54

Al Bloomquist  
Chairman  
Jerry Underwood  
Treasurer

101 North Third Street  
Moorhead, Minnesota 56560  
(218) 236-4407

July 1, 1987

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

87 JUL 6 3:39

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL

Mr. John Drury  
Office of General Council  
Federal Election Commission  
Washington, D. C. 20463

RE: 1986 Pre-election Report - June 29, 1987 letter

Dear Mr. Drury:

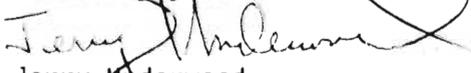
This letter is in response to a letter received by The American Crystal Sugar Political Action Committee (ACSPAC) from Mr. Scott E. Thomas, Chairman of the Federal Election Committee, dated June 29, 1987. Mr. Thomas's letter stated that the ACSPAC may have violated 2 U.S.C. § 434 (a)(A)(ii), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The violation related to the failure of ACSPAC to file a Pre-Election Report for the 1986 General Election.

After review of our records we have determined the 12-day Pre-Election Report as of October 15, 1986, was not filed. Our records indicate a Quarterly Report as of September 30, 1986 and a Post Election Report as of November 24, 1986 were filed. The failure to file the Pre-Election Report was our error. At that period of time we were in process of assigning the ACSPAC administrative responsibilities to a new individual. Because of an oversight during this transition period the Pre-Election Report was not filed. This oversight was not intentional.

Our ACSPAC Administrator, Carol Hencz, advised me of your phone conversation and your recommendation to send in this letter as a step toward reaching Conciliation Agreement with the Federal Election Commission. We are most interested in resolving this matter to your satisfaction as soon as possible. We have taken internal measures to insure an oversight of this nature will not reoccur in the future. Please advise me of any additional information you require in resolving this matter.

Thank you for your assistance.

Sincerely yours,



Jerry Underwood  
American Crystal Sugar Political Action Committee  
Treasurer

JU/jmm

33040700326

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

87 SEP 29 AM 9:51

RECEIVED  
FEDERAL ELECTION COMMISSION

In the Matter of	)	
American Crystal Sugar	)	
PAC and Jerry Underwood, as	)	MUR 2468
treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 15, 1987, the Commission found reason to believe that the American Crystal Sugar PAC (the "Committee") and Jerry Underwood, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(ii) by failing to file a 1986 12-Day Pre-Election Report. Respondents have since requested to settle this matter prior to a finding of probable cause to believe (Attachment I).

II. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

88040700327

**III. RECOMMENDATIONS**

1. Enter into conciliation with American Crystal Sugar Political Action Committee and Jerry Underwood, as treasurer, prior to a finding of probable cause to believe.
2. Approve the attached proposed conciliation agreement and letter.

9/28/87  
Date

Lawrence M. Noble (LJ)  
Lawrence M. Noble  
Acting General Counsel

**Attachments**

- I. Request for conciliation
- II. Proposed agreement and letter

88040700328

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
American Crystal Sugar ) MUR 2468  
PAC and Jerry Underwood, as )  
treasurer )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 1, 1987, the Commission decided by a vote of 5-0 to take the following actions in MUR 2468:

1. Enter into conciliation with American Crystal Sugar Political Action Committee and Jerry Underwood, as treasurer, prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement and letter, as recommended in the General Counsel's report signed September 28, 1987.

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

Attest:

10-1-87

Date

*Marjorie W. Emmons*  
for

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary: Tues., 9-29-87, 9:51  
Circulated on 48 hour tally basis: Tues., 9-29-87, 4:00  
Deadline for vote: Thurs., 10-09-87, 4:00

88040700329



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

8 October 1987

Jerry Underwood, Treasurer  
American Crystal Sugar PAC  
101 North Third Street  
Moorhead, MN 56560

RE: MUR 2468  
American Crystal  
Sugar PAC, and  
Jerry Underwood,  
as treasurer

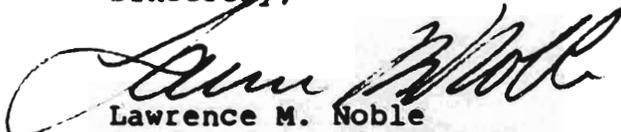
Dear Mr. Underwood:

On June 15, 1987, the Federal Election Commission found reason to believe that the American Crystal Sugar PAC and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(ii). At your request, on October 1, 1987, the Commission determined 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 John Drury, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Lawrence M. Noble  
Acting General Counsel

Enclosure  
Conciliation Agreement

88040700330

*Handwritten initials*

**AMERICAN CRYSTAL SUGAR  
POLITICAL ACTION  
COMMITTEE**

101 North Third Street  
Moorhead, Minnesota 56560  
(218) 236-4407

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

October 22, 1987

Lawrence M. Noble, Acting General Counsel  
Federal Election Commission  
Washington, D.C. 20463

Dear Mr. Noble:

This letter is in regard to MUR 2468 American Crystal Sugar PAC, and Jerry Underwood, as treasurer conciliation agreement. Enclosed are the signed conciliation agreement and a check for \$500 in payment of the agreed to penalty drawn on PAC funds. It is my understanding based on the conciliation agreement and conversations with Mr. John Drury of your office, the conciliation agreement and enclosed check fulfills all requirements of the American Crystal Sugar PAC, and me as treasurer for failure to file a 1986 12-Day Pre-Election Report by October 23, 1986.

Please advise if additional information is required.

Sincerely yours,

AMERICAN CRYSTAL SUGAR POLITICAL ACTION COMMITTEE



Gerald D. Underwood  
Treasurer

GDU/jmm

cc: A. Bloomquist  
B. Dosland

600#4652  
RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

87 OCT 26 PM 1:20

Al Bloomquist  
Chairman  
Jerry Underwood  
Treasurer

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
87 OCT 29 AM 10:42

3300704031

RECEIVED  
FEDERAL ELECTION COMMISSION  
FEB 30 AM 9:23

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
American Crystal Sugar Political ) MUR 2468  
Action Committee and )  
Jerry Underwood, as treasurer )

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Jerry Underwood, the treasurer of the American Crystal Sugar Political Action Committee.

The attached agreement contains no changes from the agreement approved by the Commission on October 1, 1987. A check for the civil penalty has been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with American Crystal Sugar Political Action Committee and Jerry Underwood, as treasurer.
2. Close the file.
3. Approve the attached letter.

Lawrence M. Noble  
General Counsel

2/29/88  
Date

By:   
Lois G. Lerner  
Associate General Counsel

Attachments

1. Conciliation Agreement
2. Photocopy of civil penalty check
3. Letter to Respondent

Staff Person: John Drury

88740700332

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
American Crystal Sugar Political	)	MUR 2468
Action Committee and	)	
Jerry Underwood, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 3, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2468:

1. Accept the conciliation agreement with American Crystal Sugar Political Action Committee and Jerry Underwood, as treasurer, as recommended in the General Counsel's report signed February 29, 1988.
2. Close the file.
3. Approve the letter, as recommended in the General Counsel's report signed February 29, 1988.

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

Attest:

3/3/88

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary:	Tues.,	3-1-88,	9:00
Circulated on 48 hour tally basis:	Tues.,	3-1-88,	4:00
Deadline for vote:	Thurs.,	3-3-88,	4:00

23040700333



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 8, 1988

Gerald D. Underwood, Treasurer  
American Crystal Sugar Political Action Committee  
101 North Third Street  
Moorhead, MN 56560

RE: MUR 2468  
American Crystal Sugar  
Political Action  
Committee and  
Gerald D. Underwood,  
as treasurer

Dear Mr. Underwood:

On March 3, 1988, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of a violation of 2 U.S.C. § 434(a)(4)(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 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

98040700334

*plm*

questions, please contact R. Lee Andersen, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel



By: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

38040700335

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
American Crystal Sugar	)	MUR 2468
Political Action Committee	)	
and Jerry Underwood,	)	
as treasurer	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that American Crystal Sugar Political Action Committee (the "Committee") and Jerry Underwood, as treasurer ("Respondents") violated 2 U.S.C. § 434(a)(4)(A)(ii).

NOW, THEREFORE, the Commission and the Respondents, 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 Respondents, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. §437g(a)(4)(A)(i).

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, American Crystal Sugar

98040700336

Political Action Committee, is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Respondent, Jerry Underwood, is the treasurer of the Committee.

3. Respondents were obligated to file a 1986 12-Day Pre-Election Report by October 23, 1986.

4. Respondents failed to disclose the information required by the 12 Day Pre-Election Report until it filed its 1986 Post-Election Report on December 8, 1986, forty-six days after the Pre-Election Report was due.

V. The respondents' failure to timely disclose the information required to be filed in the 1986 12 Day Pre-Election Report was in violation of 2 U.S.C. § 434(a)(4)(A)(ii).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Five Hundred dollars (\$500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. 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.

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.

88040700337

IX. 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.

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

FOR THE COMMISSION:

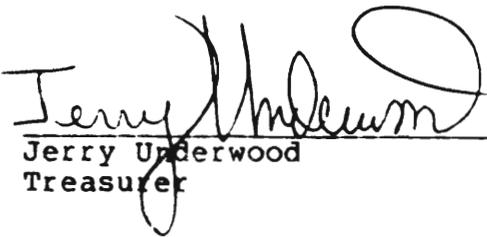
Lawrence M. Noble  
General Counsel



By: Lois G. Lerner  
Associate General Counsel

Date 3/7/88

FOR THE RESPONDENTS:

  
Jerry Underwood  
Treasurer

Date 10/22/87

99740700338



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2468  
DATE FILMED 4/23/88 CAMERA NO. 4  
CAMERAMAN 6pc

98040700339