



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2731

DATE FILMED 4/6/89 CAMERA NO. 4

CAMERAMAN AS

89040742592



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

August 1, 1988

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

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

SUBJECT: REFERRAL OF ACCION DEMOCRATA POPULAR

This is a referral of the Accion Democrata Popular ("ADP") for failing to file the 1988 March Monthly and 1988 April Monthly Reports

According to the 1987-1988 RAD Review and Referral Procedures for Unauthorized Committees (Standard 3), further examination is required by your office.

The ADP was sent a Post-Registration Packet by the Information Division. This packet contained a notice explaining filing requirements for 1988.

If you have any questions on this matter, please contact Tamara K. Kapper at 376-2480.

Attachment

89040742593

REPORTS ANALYSIS REFERRAL
TO
OFFICE OF GENERAL COUNSEL

DATE: August 1, 1988

ANALYST: Tamara K. Kapper

- I. COMMITTEE: Accion Democrata Popular
(C00222851),
Lucas Malavé, Treasurer
G.P.O. Box 3788
San Juan, PR 00936
- II. RELEVANT STATUTE: 2 U.S.C. §434(a)(4)(B)
11 CFR 104.5(c)(3)(i)
- III. BACKGROUND:

Failure to Timely File the 1988 March and April Monthly Reports

The Accion Democrata Popular ("ADP") failed to timely file the 1988 March Monthly Report of Receipts and Disbursements covering the period from February 11, 1988 to February 29, 1988. A Non-Filer Notice was sent to ADP on April 22, 1988 for the March Monthly Report (Attachment 2).

In a letter to the Commission dated April 29, 1988, Mr. Lucas Malavé, treasurer of ADP, listed five (5) separate reasons why the 1988 March Monthly Report had not been filed (Attachment 3).

On May 9, 1988, a Non-Filer Notice was sent to ADP for failure to timely file the 1988 April Monthly Report of Receipts and Disbursements covering the period from March 1, 1988 to March 31, 1988 (Attachment 4).

On May 16, 1988, the Reports Analysis Division ("RAD") analyst attempted to contact Mr. Malavé about the delinquent reports but Mr. Malavé could not be reached (Attachment 5).

On June 2, 1988, the RAD analyst returned Mr. Malavé's call of May 31, 1988. Mr. Malavé stated that he would file the reports the following week (Attachment 6).

A Termination Report covering the March Monthly and April Monthly reporting periods was sent by certified mail on June 10, 1988. In a cover letter attached to the report Mr. Malavé stated, "The delay in filing our final reports

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ACCION DEMOCRATA POPULAR
REPORTS ANALYSIS OGC REFERRAL
PAGE 2

was due mainly to the fact that we were awaiting your decision on our request to use computerized [sic] produced schedules to report the individual contributions" (Attachment 7).

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

39040742595

FEDERAL ELECTION COMMISSION
1987-1988
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 27JUL88

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
					TYPE OF FILER	
ACCION DEMOCRATA POPULAR				ID #C20222851	NON-PARTY NON-QUALIFIED	
CONNECTED ORGANIZATION: NONE						
	REQUEST FOR ADDITIONAL INFORMATION			0 00	1	88FEC/512/1002
	REQUEST FOR ADDITIONAL INFORMATION 2ND			0 00	2	88FEC/515/1801
1988	STATEMENT OF ORGANIZATION			16FEB88	2	88FEC/509/1808
	STATEMENT OF ORGANIZATION - AMENDMENT			31MAR88	2	88FEC/515/5194
	MISCELLANEOUS REPORT TO FEC			3MAY88	3	88FEC/524/1604
	MISCELLANEOUS NOTICE FROM FEC			20JUL88	2	88FEC/538/1588
	FEBRUARY MONTHLY	4,900	0	11JAN88 -10FEB88	4	88FEC/515/3110
	FEBRUARY MONTHLY - AMENDMENT	4,900	0	1JAN88 -10FEB88	9	88FEC/529/1870
	REQUEST FOR ADDITIONAL INFORMATION			11JAN88 -10FEB88	1	88FEC/521/5504
	REQUEST FOR ADDITIONAL INFORMATION 2ND			11JAN88 -10FEB88	2	88FEC/525/1192
	NOTICE OF FAILURE TO FILE			11FEB88 -29FEB88	1	88FEC/523/1334
	NOTICE OF FAILURE TO FILE			1MAR88 -31MAR88	1	88FEC/524/4951
	NOTICE OF FAILURE TO FILE			1APR88 -30APR88	1	88FEC/528/4686
	NOTICE OF FAILURE TO FILE			1MAY88 -31MAY88	1	88FEC/532/4907
	TERMINATION REPORT	478,161	457,319	11FEB88 -30APR88	7	88FEC/529/1419
	REQUEST FOR ADDITIONAL INFORMATION			11FEB88 -30APR88	2	88FEC/533/5409
	TOTAL	483,061	0 457,319	0	41	TOTAL PAGES

All reports have been reviewed.

Ending Cash-on-Hand as of 4/30/88= \$25,946.

Debts owed to the Committee as of 4/30/88= \$0

Debts owed by the Committee as of 4/30/88= \$0

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

RQ-7

APR 22 1988

Lucas Malave, Treasurer
Accion Democrata Popular
G.P.O. Box 3788
San Juan, PR 00936

Identification Number: C00222851

Reference: March Monthly Report (2/11/88-2/29/88)

Dear Mr. Malave:

It has come to the attention of the Federal Election Commission ("the Commission") that your committee may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent State officer. See 2 U.S.C. §439.

Although the Commission may initiate an audit or legal enforcement action concerning this matter, your prompt response and a letter of explanation will be taken into consideration.

If you have any questions, please contact Tamy Rollins on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

0 2 0 4 0 7 1 3

88 MAY -3 11:58

April 29, 1988

Federal Election Commission
999 E Street N.W.
Washington, D.C. 20463

RE: Identification Numbers
C 00222877
C 00222851
C 00222869
March Monthly Reports

Gentlemen:

I have been advised by Mr. John D. Gibson, Assistant Staff Director, in the Reports Analysis Division, that I might be in violation of 2 U.S.C. S 434(a) for failing to file the reports of receipts and disbursements for the period from February 11th to February 29, 1988. In connection with this notification I have the following comments:

We at the Committees, are experiencing certain difficulties in identifying contributors whose contributions were received by mail. In most cases these difficulties are related to the address.

The lack of clerical assistance or non-existence of this assistance, have forced me to incur in the time consuming efforts of recruiting retired persons with accounting background for the clerical work.

The fact of being this year the first time we have been involved in the meticulous reporting required under

Federal Election Commission
April 29, 1988
Page number two

federal laws and regulations, coupled with absence of references materiales to be guided by, has been a contributing factor in the late filing.

Our Democratic primary was held on March 20, 1988, and we thought that we had at least up to 30 days from the primary date to file our report.

In addition I was under medical treatment for a surgery, which put me out of work for approximately 20 days. Now I am back to work and expect to submit within 15 days our report up to March 10, 1988. Once this report is filed we will have pending the reporting of contributions and expenses up to April 10th which will be our final report.

Based on the above comments, I would appreciate it if you grant us up to May 13th for the filing of the report up to March 10, 1988, and up to May 31st for the filing of the final report.

Your favorable consideration and response to this request will be greatly appreciated.

Respectfully yours,


Lucas Malavé
Treasurer

LM/sio

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0 2 1 4 9 7 4 4 3 9 9



FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20541

BQ-7

May 9, 1988

Lucas Malave, Treasurer
Accion Democrata Popular
G.P.O. Box 3788
San Juan, PR 00936

Identification Number: C00222851

Reference: April Monthly Report (3/1/88-3/31/88)

Dear Mr. Malave:

It has come to the attention of the Federal Election Commission ("the Commission") that your committee may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent State officer. See 2 U.S.C. §439.

Although the Commission may initiate an audit or legal enforcement action concerning this matter, your prompt response and a letter of explanation will be taken into consideration.

If you have any questions, please contact Tammy Rollins on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibbon
Assistant Staff Director
Reports Analysis Division

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TYPE TKKADP.;1

TELECON

ANALYST: TAMARA K. KAPPER

COMMITTEE: ACCION DEMOCRATA POPULAR

DATE: MAY 16, 1988

SUBJECT: FAILURE TO FILE THE MARCH MONTHLY REPORT

I attempted to contact Mr. Lucas Malavé, treasurer of the committee but the telephone operator in Puerto Rico stated that there was no listing for the committee and the number for Mr. Malavé was unlisted.

99040742501

* TYPE TERDSPR.;1

TELECON

ANALYST: TAMARA K. KAPPER

CONVERSATION WITH: MR. LUCAS MALAVÉ, TREASURER

COMMITTEE: ACCION DEMOCRATA POPULAR

DATE: JUNE 2, 1988

SUBJECT: FAILURE TO FILE THE MARCH AND APRIL MONTHLY REPORTS

I contacted Mr. Malavé because the Accion Democrata Popular had not filed their March and April Monthly Reports. Mr. Malavé stated that he was waiting for the Commission to approve his submission for the use of computer generated schedules. I stated that the Commission had disapproved his request for various reasons and had notified him in a letter dated May 6, 1988. I also stated that he should not wait for Commission approval of his request and file the report(s) using the required FEC Form EX. He stated that he would file the report(s) next week.

83740742602

FEDERAL ELECTION COMMISSION

88 JUN 14 AM 11:23

DEMOCRATIC PARTY
(PUERTO RICO)
G.P.O. Box 3788
San Juan, Puerto Rico 00936

June 7, 1988

Federal Election Commission
999 E Street, NW
Washington, DC 20463

ATTENTION: Miss Tammy Rollins

RE: Identification Numbers

- C 00222877
- C 00222851
- C 00222869

Gentlemen:

We are including the amended reports as of February 10, 1988, and the report of Receipts and Disbursements up to April 30, 1988, which should be considered our termination reports, for each of the above referenced Committees.

We feel that in your analysis of these reports consideration should be given to the following comments:

Although it appears that under the provisions of the Federal Election Campaign Act (the Act), we were not required to file these reports with the Commission, we voluntarily elected to be covered as an indication of pureness in our doings among our hundreds of contributors.

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Federal Election Commission
June 7, 1988
Page Two

It should be noted that what we held in March 20, 1988 in Puerto Rico was indeed an election among our voters to decide who was to represent the Democratic Party in Puerto Rico. If Mr. Carlos Romero Barceló, the ex-Governor of Puerto Rico representing the New Progressive Party or Senator Miguel Hernández Agosto, President of the Senate in the local Legislature representing the Popular Democratic Party.

Each of these two leaders proposed a slate of persons, who were to become delegates in the forthcoming Democratic Convention to be held in Atlanta, Georgia.

All our monetary contributions came from people residing in Puerto Rico and all our disbursements, related to this election, were made to individuals and/or entities operating in Puerto Rico.

Although our efforts were directed to comply as close as possible with the provisions and requirements of the Act, there were various contributions received by mail and/or collected by individuals, working on a voluntarily basis, from whom we did not obtain their occupation and name of employer.

We were completely aware of the \$5,000 annual limits per individual and in accordance therewith we limited the contributions to a maximum of \$3,000 per individual. However, it may appear that the same individual is contributing \$3,000 per Committee and being these three committees all affiliated, in adding the amounts contributed to each committee it may look as if there is an excess over the \$5,000 limit. However, Puerto Rico is a

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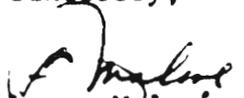
Federal Election Commission
June 7, 1988
Page Three

community-property state, and therefore there is no such an excess, because under the Puerto Rican Law the matrimony is considered a partnership with equal participation in the equity of the Matrimonial Partnership. That is why in some cases in the contributor's name appears the contribution under the name of both persons, i.e. husband and wife. The intention of the contributors was to have him and his wife contributing each within the limit imposed by us.

The delay in filing our final reports was due mainly to the fact that we were awaiting your decision on our request to use computerized produced schedules to report the individual contributions. Although your reply to our request is dated May 6, 1988 it was received in our office in May 27th.

As mentioned above in this letter your consideration of the above comments in your analysis of these reports, will be appreciated.

Sincerely,


Lucas Malavé
Treasurer

LM/cad

cc: Mr. John D. Gibson
Mr. Anthony Raymond

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1405201337

REPORT OF RECEIPTS AND DISBURSEMENTS

By or for the Authorized Committee
(Summary Page)

FEDERAL ELECTION COMMISSION

68 JUN 14 AM 11:24

1. Name of Committee Asociación Democrática Popular C.P.O. Box 3788 San Juan, Puerto Rico 00936	2. FEC IDENTIFICATION NUMBER C 00222851
3. <input type="checkbox"/> This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).	

4. TYPE OF REPORT

- (a) April 15 Quarterly Report
- July 15 Quarterly Report
- October 15 Quarterly Report
- January 31 Year End Report
- July 31 Mid Year Report (Non-election Year Only)
- Termination Report
- (b) Monthly Report Due On:
- | | | |
|--------------------------------------|---------------------------------------|--------------------------------------|
| <input type="checkbox"/> February 28 | <input type="checkbox"/> June 30 | <input type="checkbox"/> October 31 |
| <input type="checkbox"/> March 31 | <input type="checkbox"/> July 31 | <input type="checkbox"/> November 30 |
| <input type="checkbox"/> April 30 | <input type="checkbox"/> August 31 | <input type="checkbox"/> December 31 |
| <input type="checkbox"/> May 31 | <input type="checkbox"/> September 30 | <input type="checkbox"/> January 31 |
- Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
- Thirtieth day report following the General Election on _____ in the State of _____
- (c) Is this Report an Amendment? YES NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
Covering Period <u>2/11/88</u> through <u>4/30/88</u>		
(a) Cash on Hand 3/22/88 <u>2/10/88</u>		
(b) Cash on Hand at Beginning of Reporting Period	\$ 4,900.00	
(c) Total Receipts (from Line 1B)	\$ 478,161.80	\$ 483,061.80
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 483,061.80	\$ 483,061.80
7. Total Disbursements (from Line 2B)	\$ 457,319.78	\$ 457,319.78
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 25,946.75	\$ 25,946.75
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$ -0-	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9630 Local 202-376-3120
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$ -0-	

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

Type or Print Name of Treasurer

Lucas Malave

Signature of Treasurer

Date

6 7 88

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

FEC FORM 3X

(rev. 4-87)

821407460

3 8 0 3 5 2 9 1 0 1

RETURN RECEIPT REQUEST



TO

Miss Tanya Rollins
Reports Analyst
Reports Analyst Division
GENERAL INVESTIGATIVE DIVISION
999 K Street NW
Washington, D.C. 20463

CERTIFIED

P 704 739 767

MAIL

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

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

88 SEP 29 PH 3:25

FIRST GENERAL COUNSEL'S REPORT

RAD Referrals: 88NF-36
88NF-38
Staff Member: Beverly Kramer

SENSITIVE

SOURCE: INTERNALLY GENERATED

RESPONDENTS: Accion Democrata Popular and
Lucas Malave, as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(B)
11 C.F.R. § 104.5(c)(3)(i)

INTERNAL REPORTS CHECKED: Referral Materials
Public Record

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Reports Analysis Division ("RAD") referred the Accion Democrata Popular ("the Committee") to the Office of the General Counsel on August 1, 1988, for failure to timely file the 1988 March and April Monthly reports (See RAD Ref. 88NF-36 at Attachment 1). Subsequently, on August 11, 1988, RAD referred the Committee to this Office for failure to file the 1988 June Monthly Report (See RAD Referral 88NF-38 at Attachment 2).

II. FACTUAL AND LEGAL ANALYSIS

A. RAD Ref. 88NF-36: Late Filing of the 1988 March and April Monthly Reports.

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that for unauthorized committees filing monthly, such committees shall file monthly reports in all calendar years which shall be filed no later than the 20th day after the last day of the month. 2 U.S.C. § 434(a)(4)(B) and 11 C.F.R. § 104.5 (c)(3)(i).

**EXECUTIVE SESSION
OCT 12 1988**

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The Committee is an unauthorized committee filing monthly. Thus, the Committee was required to file the 1988 March and April Monthly reports of receipts and disbursements by no later than March 20, 1988 and April 20, 1988, respectively. The Committee did not file the 1988 March and April Monthly Reports by these due dates. Rather, on June 10, 1988, the Committee filed a Termination Report that included the 1988 March and April Monthly reporting periods within its coverage dates. 1/ Accordingly, the Office of the General Counsel recommends that the Commission open a matter under review and find reason to believe the Committee and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B).

B. RAD Ref. 88NF-38: Failure to File the 1988 June Monthly Report

The basis for RAD's second referral is the Committee's failure to file the 1988 June Monthly Report due June 20, 1988. The report was required to be filed apparently because the Committee's Termination Report failed to satisfy the conditions for termination set forth at 11 C.F.R. § 102.3(a). Specifically, the Termination Report failed to contain a statement as to the purpose for which the Committee's residual funds of \$25,742.02 would be used. It was not until July 13, 1988, that RAD notified the Committee of its continuing obligation to file reports until the conditions of 11 C.F.R. § 102.3(a) are satisfied.

A review of the public record reveals that on August 16, 1988,

1/ The treasurer's cover letter stated that the report was filed late "due mainly to the fact that we were awaiting [the Commission's] decision on our request to use computerized produced schedules to report the individual contributions."

99744609

the Committee filed a statement regarding the disposition of its residual funds. Inasmuch as it appears the Committee did not understand that it had a continuing obligation to file reports, and that the Committee has now fully satisfied the conditions for termination, this Office recommends that the Commission decline to open a matter under review regarding RAD Referral 88NF-38.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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IV. RECOMMENDATIONS

1. Decline to open a Matter Under Review regarding RAD Ref. 88NF-38.
2. ^{Open}~~Open~~ a Matter under Review regarding RAD Ref. 88NF-36.
3. Find reason to believe Accion Democrata Popular and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B) by failing to timely file their 1988 March and April Monthly Reports.
4. Enter into conciliation with Accion Democrata Popular and Lucas Malave, as treasurer, prior to a finding of probable cause to believe.

5. Approve the attached letter, Factual and Legal Analysis and proposed conciliation agreement.

Lawrence M. Noble
General Counsel

Date

9/29/88

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Referral Materials RAD Ref. 88NF-36
2. Referral Materials RAD Ref. 88NF-38
3. Proposed Agreement
4. Letter, Factual and Legal Analysis

89040742612



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

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

DATE: OCTOBER 4, 1988

SUBJECT: OBJECTION TO RAD Ref. 88NF-36 & 88NF-38: FIRST G. C.
REPORT SIGNED SEPTEMBER 29, 1988.

The above-captioned document was circulated to the Commission on Friday, September 30, 1988 12:00 p.m..

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

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

This matter will be placed on the meeting agenda for October 12, 1988.

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

99040742613

BEFORE THE FEDERAL ELECTION COMMISSION

(Muller)
2731

In the Matter of)	
)	
Accion Democrata Popular and	)	RAD REFERRAL 88NF-36 and
Lucas Malave, as treasurer	)	RAD REFERRAL 88NF-38

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 13, 1988, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions with respect to the above-captioned matters:

1. Decline to open a Matter Under Review regarding RAD Referral 88NF-38.
2. Open a Matter Under Review regarding RAD Referral 88NF-36.
3. Find reason to believe Accion Democrata Popular and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B) by failing to timely file their 1988 March and April Monthly Reports.
4. Enter into conciliation with Accion Democrata Popular and Lucas Malave, as treasurer, prior to a finding of probable cause to believe.

(continued)

93040742614

Federal Election Commission
Certification for RAD Referrals
88NF-36 and 88NF-38
October 12, 1988

Page 2

5. Approve the letter, Factual and Legal Analysis and proposed conciliation agreement attached to the General Counsel's report dated September 29, 1988.

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

Attest:

Oct. 13, 1988

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

33040742615

7/11/88



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

October 18, 1988

Mr. Lucas Malave, Treasurer
Accion Democrata Popular
G.P.O. Box 3788
San Juan, PR 00936

RE: MUR 2731
Accion Democrata Popular
and Lucas Malave, as
treasurer

Dear Mr. Malave:

On October 13, 1988, the Federal Election Commission found that there is reason to believe Accion Democrata Popular ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(B), 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.

In order to expedite the resolution of this matter, the Commission has also decided to offer 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.

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Lucas Malave
Page 2

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, 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.

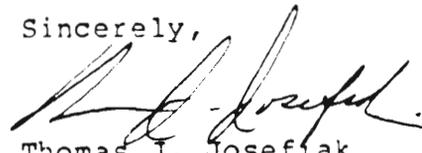
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of General Counsel ordinarily will not give extensions beyond 20 days.

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.

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 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 Beverly Kramer, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak
Chairman

Enclosure

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

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FEDERAL RECEIVED
FEB 2 1988

BEFORE THE FEDERAL ELECTION COMMISSION
FEB -2 AM 8:56

In the Matter of)	
)	
Accion Democrata Puertorriquena	)	MURs 2711
and Lucas Malave, as treasurer	)	2716
Democratas al Servicio de Puerto	)	2731
Rico and Lucas Malave, as treasurer)	
Accion Democrata Popular and)	
Lucas Malave, as treasurer)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On October 4, 1988, the Commission found reason to believe Accion Democrata Puertorriquena and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B) by failing to timely file its 1988 April Monthly Report (MUR 2711). Additionally, on October 6, 1988, the Commission found reason to believe Democratas al Servicio de Puerto Rico and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B) by failing to timely file its 1988 April Monthly Report (MUR 2716).^{1/} Additionally, on October 13, 1988, the Commission found reason to believe the Accion Democrata Popular and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B) by failing to file timely its 1988 March and April Monthly Reports (MUR 2731). The Commission further determined to enter into conciliation prior to a finding of probable cause to believe with each of the committees.^{2/}

^{1/} The Commission also voted on that date to merge MUR 2636 with this matter. MUR 2636 addressed the committee's failure to file timely its 1988 March Monthly Report.

^{2/} According to responses submitted in this matter, these three committees are affiliated political committees.

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Accordingly, attached for Commission approval is a combined conciliation agreement for these three affiliated committees.

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III. RECOMMENDATION

1. Approve the attached counterproposal and letter.

Lawrence M. Noble
General Counsel

Date 2/1/89

By: 
Lois G. Lerner
Associate General Counsel

Attachments

1. October 28, 1988 Response
2. December 6, 1988 Response
3. Proposed conciliation agreement
4. Proposed letter

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Accion Democrata Puertorriquena)	MURs 2711
and Lucas Malave, as treasurer	)	2716
Democratas al Servicio de Puerto	)	2731
Rico and Lucas Malave, as treasurer)	
Accion Democrata Popular and)	
Lucas Malave, as treasurer)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 6, 1989, the Commission decided by a vote of 6-0 to approve the counterproposal and letter, as recommended in the General Counsel's report signed February 1, 1989.

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

Attest:

2/6/89

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs.,	2-2-89,	8:56
Circulated on 48 hour tally basis:	Thurs.,	2-2-89,	11:00
Deadline for vote:	Mon.,	2-6-89,	11:00

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BEFORE THE FEDERAL ELECTION COMMISSION

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In the Matter of)	
)	
Accion Democrata Puertorriquena)	MURs 2711
and Lucas Malave, as treasurer)	2716
Democrat as al Servicio de Puerto	)	2731
Rico and Lucas Malave, as)	
treasurer)	
Accion Democrata Popular and)	
Lucas Malave, as treasurer)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached for Commission approval is a conciliation agreement signed by Lucas Malave, treasurer of the three respondent Committees in the above-captioned matters. The proposed agreement contains no changes from the agreement most recently approved by the Commission. A check for the civil penalty accompanied the agreement. Therefore, the Office of the General Counsel recommends that the Commission approve the attached agreement and close the files in these matters.

II. RECOMMENDATIONS

1. Accept the attached agreement signed by Lucas Malave, treasurer of Accion Democrata Puertorriquena, Democrat as al Servicio de Puerto Rico, and Accion Democrata Popular.
2. Approve the attached letter.
3. Close the files in these matters.

Lawrence M. Noble
General Counsel

3/1/89
Date _____

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

- Attachments
1. Agreement
 2. Check
 3. Proposed Letter

Staff Person: Patty Reilly

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Accion Democrata Puertorriquena)	MURs 2711
and Lucas Malave, as treasurer	)	2716
Democrat as al Servicio de Puerto	)	2731
Rico and Lucas Malave, as)	
treasurer)	
Accion Democrata Popular and)	
Lucas Malave, as treasurer)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 6 1989, the Commission decided by a vote of 6-0 to take the following actions in MURs 2711, 2716, and 2731:

1. Accept the agreement signed by Lucas Malave, treasurer of Accion Democrata Puertorriquena, Democrat as al Servicio de Puerto Rico, and Accion Democrata Popular.
2. Approve the letter, as recommended in the General Counsel's report signed March 1, 1989.
3. Close the files in these matters.

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

Attest:

3-6-89

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs.,	3-2-89,	11:15
Circulated on 48 hour tally basis:	Thurs.,	3-2-89,	4:00
Deadline for vote:	Mon.,	3-6-89,	4:00

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plus



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 10, 1989

Lucas Malave, Treasurer
Democratic Party of Puerto Rico
G.P.O. Box 3788
San Juan, Puerto Rico 00936

RE: MURs 2711, 2716 and 2731

Dear Mr. Malave:

On March 6, 1989, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of violations of 2 U.S.C. § 434(a)(4)(B), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the files have been closed in these matters. These matters 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 Patty Reilly, the attorney assigned to this matter, at (202) 370-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MURs 2711
)	2716
Democratas al Servicio de Puerto Rico and Lucas Malave, as treasurer)	2731
)	
Accion Democrata Puertorriquena and Lucas Malave, as treasurer)	
)	
Accion Democrata Popular and Lucas Malave, as treasurer)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Democratas al Servicio de Puerto Rico and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B). Additionally, the Commission found reason to believe that Accion Democrata Puertorriquena and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B). The Commission also found reason to believe that Accion Democrata Popular and Lucas Malave, as treasurer, violated 2 U.S.C. § 434(a)(4)(B). This agreement collectively refers to all three committees and their treasurer as "Respondents."

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)(i).

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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:

A. The Respondents

1. Respondent, Democratas al Servicio de Puerto Rico is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Respondent, Accion Democrata Puertorriquena is a political committee within the meaning of 2 U.S.C. § 431(4).

3. Respondent, Accion Democrata Popular, is a political committee within the meaning of 2 U.S.C. § 431(4).

4. Respondent, Lucas Malave, is treasurer of the three respondent committees. These respondent committees are affiliated political committees within the meaning of 2 U.S.C. § 441a(a)(5).

B. The Law

5. Section 434(a)(4)(B) of Title 2, United States Code, provides that unauthorized committees filing monthly shall file monthly reports in all calendar years which shall be filed no later than the 20th day after the last day of the month.

6. In lieu of the 1988 March and April Monthly reports which were due on March 20th and April 20th, 1988, respectively, Respondents Democratas al Servicio de Puerto Rico and Lucas

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Malave, as treasurer, filed a Termination Report on June 10, 1988, that included the 1988 March and April Monthly reporting periods within its coverage dates.

7. In lieu of the 1988 April Monthly Report which was due by April 20, 1988, Respondents Accion Democrata Puertorriquena and Lucas Malave, as treasurer, filed a Termination Report on June 10, 1988, that included the 1988 April Monthly reporting period within its coverage dates.

8. In lieu of the 1988 March and April Monthly reports which were due on March 20th and April 20th, 1988, respectively, Respondents Accion Democrata Popular and Lucas Malave, as treasurer, filed a Termination Report on June 10, 1988, that included the 1988 March and April Monthly reporting periods within its coverage dates.

V. 1. Respondents Democratras al Servicio de Puerto Rico and Lucas Malave, as treasurer, failed to file the 1988 March and April Monthly Reports in a timely fashion, in violation of 2 U.S.C. § 434(a)(4)(B).

2. Respondents Accion Democrata Puertorriquena and Lucas Malave, as treasurer, failed to file the 1988 April Monthly Report in a timely fashion, in violation of 2 U.S.C. § 434(a)(4)(B).

3. Respondents Accion Democrata Popular and Lucas Malave, as treasurer, failed to file the 1988 March and April Monthly Reports in a timely fashion, in violation of 2 U.S.C. § 434(a)(4)(B).

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VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of three thousand one hundred and twenty-five dollars (\$3,125), 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.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement 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

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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*
Lois G. Lerner
Associate General Counsel

3/9/89
Date

FOR THE RESPONDENTS:

J. Walker - Treasurer
(Name)
(Position)

February 15, 1989
Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2731

DATE FILMED 4/6/89 CAMERA NO. 4

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