FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2920

DATE FILMED 2/16/90 CAMERA NO. 3

CAMERAMAN AS

9004073115 11

OGC 2994

ROSS Z. PIERPONT, M.D.
5602 ENDERLY ROAD
BALTIMORE, MARYLAND 21212

June 6, 1989

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

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN -9 PM 1:20

Preamble

This complaint is made in a timely, albeit delayed fashion due to the failure of expected remedial actions which have not occurred in the State of Maryland.

Taxpayers of the State of Maryland had every right to expect a thorough investigation and proper prosecution and disposition of those public officials responsible for our billion dollar loss in the Maryland Savings and Loan debacle. All efforts have failed to bring a proper definitive investigation by our U.S. Attorney.

Piecemeal efforts, which in many cases appeared to be cover-up rather than proper expose', have been the order of the day. There has been no complete investigation of our public officials including the Governor, Lieutenant Governor, President of the Senate, Speaker of the House and the entire legislature except for a Preston Commission report which was well done but only pointed the way.

Because of certain facts herein presented, some of which only came to light after two and one half years of searching and because of statutory limitations, it is imperative for this material to be presented at this time to the Federal Election Commission for action.

In light of the recent problems of Speaker Wright and Congressman Coelho emanating from similar savings and loan dealings which reportedly may cost

up to 150 billion dollars in taxes, it may be that this complaint should be reviewed by the Ethics Committee of Congress as well.

The Complainant: Ross Z. Pierpont, M.D. of 5602 Enderly Road, Baltimore, Maryland, 21212. (Tel. 301-435-3663). This complaint is made against

Respondent: Congressman Benjamin L. Cardin, Maryland 3rd District, 2509 Shelleydale Drive, Baltimore, Maryland, 21209. (Tel. 301-764-3609).

One of the points of this complaint alleges that there may be violations which affect the filing for Congress of Congressman Cardin in 1986, Art. 40A § 4-104 of the Annotated Code of Maryland (Exhibit 1, copy attached) which states 'For the purposes of § 4-103 (a), (b) and (c) and disclosures therein required, the following shall be considered to be the interests of the person making the statement.

(a) Any interest held by a spouse or a child of the person making the statement, of such interest was at any time during the year for which the statement is filed directly or indirectly controlled by the person making the statement

(b) Any interest held by a <u>business entity in which a 30 percent or greater interest was at any time during the year for which the statement is filed held by the person making the statement.</u>

There would appear to be a clear violation by respondent Cardin of Art. 40 A § 4-104 when he signed under oath the State of Maryland Ethics Commission 'Executive Notification Financial Disclosure Statement Supplement' on July 2, 1986 (Exhibit 2, copy attached) and also signed 'Certificate of Withdrawal Financial Disclosure Statement Supplement' (Exhibit 3, copy attached).

This Certificate of Withdrawal Financial Disclosure Statement Supplement

was in compliance with House Bill 466 which was Cardins' own bill passed at the end of the 1986 legislative session of the Maryland legislature in April, 1986.

So far, all of this appears to be a State of Maryland problem and does not extend to the Federal Election Commission; however, it would appear that all of this state activity has a direct bearing on the Federal election for Congress in 1986 when Benjamin L. Cardin was first elected to Congress.

There are a number of financial disclosure statements by several campaign committees labelled 'Friends of Cardin I'. The important one is the 'State of Maryland Campaign Fund Report' for transactions from October 27, 1984 through October 26, 1985 (Exhibit 4, copy attached). Furnished as exhibit 4 are page 1 and page 95. Page 95 shows a withdrawal on May 10, 1985 of $25,000.00 by check #103. The significance of this $25,000.00 withdrawal is totally unclear until all of the evidence at hand is assembled.

A very difficult personal investigation finally forced the Special Prosecutor of Maryland, Mr. Stephen Montanarelli, to obtain a court order for inspection of the bank records of Old Court Savings and Loan. This inspection revealed that Friends of Ben Cardin I had removed a five figure checking account from the Old Court Savings and Loan on the day it closed, May 10, 1985. The only amount this can correspond with is check #103 on page 95 of exhibit 4 which is $25,000.00.

Please allow me to express again the great difficulty in ascertaining many of these facts which are of tremendous importance to the integrity of our state and nation. Mr. Montanarelli, the Special Prosecutor of Maryland, was reluctant to the point of recalcitrance to be helpful in obtaining the facts. When finally forced into action by reliable and impeccable sources, he refused to

specifically identify this $25,000.00 withdrawal on May 10, 1985 as the exact withdrawal from Old Court Savings and Loan. He would only state the fact Friends of Ben Cardin I had withdrawn a five figure amount from Old Court on May 10, 1985 was correct. I recite this in detail to you to comply with your own Federal Election Commission rule § 111.4 d 2-3-4 so we are both certain of the facts and how they were ascertained. (Exhibit 5, copy attached).

The dates of all of these exhibits and the actions taken by respondent Cardin are of primary importance. This is especially true when placed in the context of the date of filing of Benjamin L. Cardin for Congress on April 29, 1986.

The question is whether Cardin, as a filed candidate for Congress as of April 29, 1986, (Exhibit 6 - copy attached) signed Exhibit 2 and Exhibit 3 on July 2, 1986 denying under oath he had withdrawn funds from the savings and loans has committed an act of perjury? If the answer to this question is affirmative, has Cardin disqualified himself automatically to serve in Congress as of that date?

It is worthy of note at this point to draw your attention to some rather creative and unclear record keeping in the multiple Friends of Ben Cardin campaign accounts. The treasurer of these accounts could not be reached for clarification of the removal of funds from Old Court Savings and Loan on May 10, 1985. Further examination of reports from the Maryland State reporting record of Friends of Ben Cardin I revealed very substantial sums of money transferred from these State election accounts to the Federal accounts of Ben Cardin for Congress. (Exhibit 7, copy attached).

I call your attention to pages 1, 4 and 5 of Exhibit 7. This Exhibit 7, a report of August 12, 1986 on page 1 and page 4, reveals check #120 for $60,000.00 and check #121 for $10,000.00 to Ben Cardin for Congress. Exhibit 7 on page 5 reveals three transfers to Ben Cardin for Congress in amounts of $30,000.00,

$15,000.00 and $7,627.05.

An attempt was made on Friday, June 2, 1989 to trace the exact mechanism of transfer of this $122,627.05 from state to federal election committees.

The Public Records section of the F.E.C. was most helpful but could not identify these transfers of funds. Mr. Kevin Fitzgerald was very helpful in searching the records. No one could explain the problem and we were referred to Ms. Janet Hess of your specialist section of F.E.C. A copy of the F.E.C., -transfer of Candidate Funds to Federal Committee-, is attached as Exhibit 8 (copy enclosed).

This raises the second complaint of proper handling of money collected under Maryland State regulations being brought into a Federal Election where Federal regulations apply.

Was all Maryland State Committee money, which can be collected from corporations, carefully screened out of transferred funds to the Federal Election Committee? Were individual amounts and committee accounts for this election cycle accurately observed throughout this Federal election cycle? Since these monetary transfers were each greater than $1,000.00, were all of these committees properly Federalized for reporting and proper observance of Federal limitations which is a requirement by your regulations?

We cannot ascertain the answers to any of these questions.

All of these complaints should be measured against the background of the respondent. Mr. Cardin is a professional politician of more than twenty years during which he served as Speaker of the House of Delegates of Maryland for nine years. He is also an attorney. With such a background, the seriousness of these complaints cannot be overstated.

Thank you for your consideration.

Ross Z. Hiepont, M.D.

Ross Z. Hiepont, M.D.

Ross Pierpont, M.D.

Sworn before me this 6th day of June 1989

Dina C. Marsh-Alexander

Dina C. Marsh-Alexander, Notary Public
My commission expires 1 July 1990.

Exhibit 1 Exhibit 1

(i) *Additional information.* — Such additional interests or information as the person making the statement might desire. (1973, 1st Sp. Sess., ch. 3, § 2; 1975, ch. 848; 1979, ch. 513, § 1; 1981, ch. 796, § 3; 1983, ch. 8.)

Testimonials deemed political contributions. — Where a testimonial is for the purpose of raising funds for a future or past election campaign, the funds raised are a political contribution regulated by the Fair Election Practices Act and not a gift under this article. 71 Op. Att'y Gen. — (April 11, 1986).

Gifts for constituent newsletters must be disclosed to the extent required by subsection (d) of this section. 68 Op. Att'y Gen. — (December 28, 1983).

Stated in Montgomery County v. Walsh, 274 Md. 502, 336 A.2d 97 (1975), appeal dismissed, 424 U.S. 901, 96 S. Ct. 1091, 47 L. Ed. 2d 306 (1976).

§ 4-104. Interests attributable to person making statement.

For the purposes of § 4-103 (a), (b), and (c) and the disclosures therein required, the following shall be considered to be the interests of the person making the statement:

(a) Any interest held by the spouse or a child of the person making the statement, if such interest was at any time during the year for which the statement is filed directly or indirectly controlled by the person making the statement.

(b) Any interest held by a business entity in which a 30 percent or greater interest was at any time during the year for which the statement is filed held by the person making the statement.

(c) Any interest held by a trust or an estate in which, at any time during the year for which the statement is filed, the person making the statement (1) held a reversionary interest or was a beneficiary or (2) if the trust was revocable, was a settlor. A trust, within the meaning of this subsection, does not include a common trust fund or a trust which forms part of a pension or profit-sharing plan which has more than 25 participants and which has been determined by the Internal Revenue Service to be a qualified trust under §§ 401 and 501 of the Internal Revenue Code of 1954. (1973, 1st Sp. Sess., ch. 3, § 2; 1977, ch. 722; 1979, ch. 513, § 1; 1981, ch. 796, § 3.)

§ 4-105. Judges and candidates for judgeships.

(a) The Court of Appeals of Maryland shall, pursuant to its administrative authority over the judicial branch of the government of the State of Maryland in accordance with Article IV, § 18 of the Constitution of Maryland, promulgate and administer rules and regulations designed to require the judges of the several courts of the State, whether elected or appointed, including all judges of the several orphans' courts, and masters, examiners, commissioners, auditors, and referees in the judicial branch, to periodically disclose, as public records, such relevant information concerning their financial affairs as may be deemed necessary or appropriate to promote the continued trust and confidence of the people of the State of Maryland in the integrity of the State judiciary.

(b) Each candidate for nomination for, or election to, an elected judgeship shall file at or before the same time that person's certificate of candidacy is

Exhibit 2

State Ethics Commission
301 West Preston Street
Baltimore [redacted] 21201
(30[redacted]30
TTY for Deaf Baltimore: 383-7555
DC Metro: 565-0450

RECEIVED
JUL [redacted] 1986
STATE ETHICS COMM.

Executive Notification Financial Disclosure Statement Supplement

PART A. Official Information: Complete information items 1 through 5.

1. Name of State or Public Official Benjamin L. Cardin
2. Department, Board or Agency House of Delegates - State Legislature
3. Department or Agency Address State House, Annapolis, Maryland 21401
4. Position Title Speaker of the House/State Legislator
5. Applicable Disclosure Period May 8, 1985 through May 14, 1985 (starting period as identified by Governor with advice of Special Counsel)

PART B. Withdrawal Information: Did you or a person or entity attributed to you have any withdrawals of deposits from one or more savings or loans formerly insured by the Maryland Savings-Share Insurance Corporation which was placed into conservatorship or receivership after May 12, 1985 or was acquired in a transaction involving the acquisition of an association in conservatorship after May 12, 1985 (the savings and loans covered by these criteria are Old Court, Merritt Commercial, Community, First Maryland, Ridgeway, Friendship and Chesapeake), where these withdrawals occurred from March 14, 1985 or the date of first obtaining knowledge, whichever is latest, through May 14, 1985, and where the withdrawals in the aggregate exceeded $10,000?

Check the appropriate box: /___/ Yes /_x_/ No

If the answer in PART B above is yes, complete PARTS C and D. If the answer is no, complete PART D.

PART C. Withdrawal Information:

1. Name of Savings and Loan _____
2. Amount of Withdrawal _____
3. Name of Attributable Person or Entity (if applicable, see Instructions) _____
4. Reason or Reasons for Withdrawal _____

1. Name of Savings and Loan _____
2. Amount of Withdrawal _____
3. Name of Attributable Person or Entity (if applicable, see Instructions) _____
4. Reason or Reasons for Withdrawal _____

1. Name of Savings and Loan _____
2. Amount of Withdrawal _____
3. Name of Attributable Person or Entity (if applicable, see Instructions) _____
4. Reason or Reasons for Withdrawal _____

PART D. Signature:

I hereby make oath or affirm that the contents of this financial disclosure statement supplement are true and correct to the best of my knowledge, information and belief.

Signature of Person Filing: Benjamin L. Cardin
Date: July 2, 1986
Sworn to before me this 2nd day of July, 1986.
Signature of Notary Public: [illegible]
Printed/Typed Name of Notary Public: [illegible]
My Commission Expires: 7-1-90

[SEAL]
Ethics Commission Form No. 10
(June, 1986)

Exhibit 3

STATE [redacted]AND
State Ethics Commission
301 West Preston Street
Baltimore, Maryland 21201
(301) 225-1030
TTY for Deaf Baltimore: 383-7555
DC Metro: 565-0450

Certificate of Withdrawal Financial Disclosure Statement Supplement

PART A. Official Information: Complete information items 1 through 4.

1. Name of State or Public Official Benjamin L. Cardin
2. Department, Board or Agency House of Delegates - State Legislature
3. Department or Agency Address State House, Annapolis, Maryland 21401
4. Position Title Speaker of the Housse/State Legislator

PART B. Withdrawal Information: Did you or a person or entity whose activities are attributed to you have any withdrawals of one or more certificates of deposit, where there was any penalty or forfeited interest, from one or more savings or loans formerly insured by the Maryland Savings-Share Insurance Corporation, during the period from March 14, 1985 through May 14, 1985?

Check the appropriate box: [ ] Yes [X] No

If the answer in PART B above is Yes, complete PARTS C and D. If the answer is No, complete PART D.

PART C. Withdrawal Information:

1. Name of Savings and Loan
2. Total Amount of Certificate of Deposit Withdrawal
3. Name of Attributable Person or Entity (if applicable, see Instructions)

1. Name of Savings and Loan
2. Total Amount of Certificate of Deposit Withdrawal
3. Name of Attributable Person or Entity (if applicable, see Instructions)

1. Name of Savings and Loan
2. Total Amount of Certificate of Deposit Withdrawal
3. Name of Attributable Person or Entity (if applicable, see Instructions)

PART D. Signature:

I hereby make oath or affirm that the contents of this financial disclosure statement supplement are true and correct to the best of my knowledge, information and belief.

Signature of Person Filing: Benjamin L. Cardin

Date: July 2, 1986

Sworn to before me this 2nd day of July, 198[illegible].

Signature of Notary Public: [illegible]

Printed/Typed Name of Notary Public: [illegible] JACOBS

My Commission Expires: 7-1-91

[SEAL]

Ethics Commission Form No. 11
(June, 1986)

Exhibit 4

STATE OF MARYLAND

CAMPAIGN FUND REPORT

Page 1 of ___ Pages

BOARD USE ONLY
Control # 84-00453

IMPORTANT
READ INSTRUCTIONS ON BACK BEFORE COMPLETING FORM

(A) Friends of Ben Cardin-I
Name of Candidate or Name of Committee as filed with election office | Elective Office | Elective District

(B) Transactions from October 27, 19 84 Through October 26, 19 85

(C) Union Trust Company | Friends of Ben Cardin-I | 279-02972
Name of Bank or Depository | Account Name | Account Number

(D) Type of Report

X 11/2/85 Report Final ___ Yes X No

SUMMARY OF RECEIPTS AND DISBURSEMENTS

(E)	Cash Balance - Beginning of transaction period	$ 95,021.15
(F)	Receipts from Schedule 1: Column 4	$ 144,656.99
(G)	Receipts from Schedule 1A	$ -0-
(H)	Total Cash Available (Total lines E, F and G)	$ 239,678.14
(I)	Disbursements from Schedule 2:	
	Column 4 $ 6,410.72	
	Column 5 $ -0-	
	Column 6 $ 104,500.00	
(J)	Total Disbursements	$ 110,910.72
(K)	Cash Balance - End of transaction period (Subtract line J from line H)	$ 128,767.42
(L)	Total Outstanding Obligations from Schedule 3	$ -0-
(M)	In-Kind Contributions from Schedule 4 (Column 4)	$ -0-

FAILURE TO PROVIDE ALL THE INFORMATION REQUIRED BY THIS FORM WILL BE REGARDED AS A **FAILURE TO FILE**

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

(If report of candidate, candidate and treasurer must sign report, If report of committee, treasurer and chairman must sign report.)

(S) _____
Signature of Candidate | Printed Name | Date

(S) Mark D. Dopkin | Mark D. Dopkin | 11/4/85
Signature of Treasurer | Printed Name | Date

(S) Robert A. Rombro | Robert A. Rombro | 11/4/85
Signature of Chairman | Printed Name | Date

BOARD USE ONLY
Reports must be time stamped upon receipt

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PM
DDD-A Fac...

SCHEDULE NO. 2—DISBURSEMENTS

Name of Candidate or Committee: Friends of Ben Cardin - I

Report Period – Transactions from October 27, 19 84 through October 26, 19 85

(1)	(2)	(3)	(4)		(5)	(6)	
			SALARIES AND ALL PAYMENTS OTHER THAN LOAN PAYMENTS		LOAN PAYMENTS	TRANSFERS TO OTHER FUNDS (CANDIDATE OR COMMITTEE NAME REQUIRED)	
DATE	CHECK NO.	PAYEE AND ADDRESS	Code	Amount			AMOUNT
/11/85	10	Friends of Ben Cardin-I	0*	[$50,000.00]		*Transfer of funds, not included in total	
[illegible]	11	VOID					
/1/85	12	Friends of Ben Cardin-I	0*	[$30,000.00]			
/1/85	13	Friends of Ben Cardin-I	0*	[$30,000.00]			
/20/85	14	F. M. Bart	0**	$100.00		**Refund of contribution	
/30/85	101	Friends of Ben Cardin				Friends of Ben Cardin	2,000
5/10/85	102	Friends of Ben Cardin				Friends of Ben Cardin	5,000
5/1[illegible]	103	Friends of Ben Cardin-I	0*	[$25,000.00]			
5/22/85	104	Friends of Ben Cardin				Friends of Ben Cardin	8,00
5/22/85	105	Friends of Ben Cardin-I	0*	[$50,000.00]			
6/4/85	106	Friends of Ben Cardin				Friends of Ben Cardin	10,00
6/18/85	107	Friends of Ben Cardin				Friends of Ben Cardin	4,00
		TOTALS THIS PAGE		$100.			29,00

Exhibit 5

seven (7) days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation.

(c) *Special rule for service by mail.* Whenever the Commission or any person has the right or is required to do some act within a prescribed period after the service of any paper by or upon the Commission or such person and the paper is served by or upon the Commission or such person by mail, three (3) days shall be added to the prescribed period.

§ 111.3 Initiation of compliance matters (2 U.S.C. 437g(a)(1), (2)).

(a) Compliance matters may be initiated by a complaint or on the basis of information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities.

(b) Matters initiated by complaint are subject to the provisions of 11 CFR 111.4 through 111.7. Matters initiated on the basis of information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities are subject to the provisions of 11 CFR 111.8. All compliance matters are subject to the provisions of 11 CFR 111.2 and 111.9 through 111.23.

§ 111.4 Complaints (2 U.S.C. 437g(a)(1)).

(a) Any person who believes that a violation of any statute or regulation over which the Commission has jurisdiction has occurred or is about to occur may file a complaint in writing to the General Counsel, Federal Election Commission, 999 E Street, NW., Washington, DC 20463. If possible, three (3) copies should be submitted.

(b) A complaint shall comply with the following:

(1) It shall provide the full name and address of the complainant; and

(2) The contents of the complaint shall be sworn to and signed in the presence of a notary public and shall be notarized.

(c) All statements made in a complaint are subject to the statutes governing perjury and to 18 U.S.C. 1001. The complaint should differentiate between statements based upon personal knowledge and statements based upon information and belief.

(d) The complaint should conform to the following provisions:

(1) It should clearly identify as a respondent each person or entity who is alleged to have committed a violation;

(2) Statements which are not based upon personal knowledge should be accompanied by an identification of the source of information which gives rise to the complainants belief in the truth of such statements;

(3) It should contain a clear and concise recitation of the facts which describe a violation of a statute or regulation over which the Commission has jurisdiction; and

(4) It should be accompanied by any documentation supporting the facts alleged if such documentation is known of, or available to, the complainant.

[45 FR 15120, Mar. 7, 1980, as amended at 50 FR 50778, Dec. 12, 1985]

§ 111.5 Initial complaint processing; notification (2 U.S.C. 437g(a)(1)).

(a) Upon receipt of a complaint, the General Counsel shall review the complaint for substantial compliance with the technical requirements of 11 CFR 111.4, and, if it complies with those requirements shall within five (5) days after receipt notify each respondent that the complaint has been filed, advise them of Commission compliance procedures, and enclose a copy of the complaint.

(b) If a complaint does not comply with the requirements of 11 CFR 111.4, the General Counsel shall so notify the complainant and any person(s) or entity(ies) identified therein as respondent(s), within the five (5) day period specified in 11 CFR 111.5(a), that no action shall be taken on the basis of that complaint. A copy of the complaint shall be enclosed with the notification to each respondent.

§ 111.6 Opportunity to demonstrate that no action should be taken on complaint-generated matters (2 U.S.C. 437g(a)(1)).

(a) A respondent shall be afforded an opportunity to demonstrate that no action should be taken on the basis of a complaint by submitting, within fifteen (15) days from receipt of a copy

Exhibit B

CERTIFICATE OF CANDIDACY FOR NOMINATION
REPRESENTATIVE IN THE ONE HUNDREDTH CONGRESS
ROM THE STATE OF MARYLAND

TATE ADMINISTRATIVE BOARD OF ELEC S, ANNAPOLIS, MARYLAND:

I hereby request that you place my name as hereon designated on the official ballot to be used in the PRIMARY ELECTION on the 9th day of September, 1986, as a candidate seeking the nomination as Representative in the One Hundredth Congress from the 3rd Congressional District of Maryland.

NAME TO APPEAR ON BALLOT (print) Benjamin L. Cardin

(The use of nicknames, titles, degrees or other professional designations is prohibited) (Article 33, Section 4A-1(b))

I do certify that:

My full name is Benjamin Louis Cardin

State Administrator of Elections

'86 APR 29 P2:24

RECEIVED

I am a registered voter of (complete only one of the following groups:)

County _____ | Check if Baltimore City x

Election District _____ | Ward 27

Precinct _____ | Precinct 108

Party Affiliation Democrat Date of Birth 10/5/43 Sex Male

I reside at (NO. and STREET) 2509 Shelleydale Drive

CITY Baltimore, Maryland ZIP 21209

HOME TELEPHONE 764-3609 BUSINESS TELEPHONE 539-4114

The filing fee for the above-mentioned office for which I seek nomination is $100 (non-refundable) and is submitted herewith.

I certify that I am at least 7 years a citizen of the United States; an inhabitant of the State of Maryland at the time of the election; and that I will be at least 25 years of age before I attain the seat.

I AM NOT A CANDIDATE FOR ANY OTHER PUBLIC OFFICE.
I AM NOT A TREASURER OR SUB-TREASURER FOR ANY CANDIDATE OR COMMITTEE.

April 21 1986 — Benjamin L. Cardin
Date of this Certificate — Signature of Candidate

Subscribed and sworn before me this 21st 29th day of April April, 1986, 19 86

Catherine M. Matthew Laurie G. Shea
(Notary Public or other person authorized to administer oath)

NOTARY PUBLIC — CATHERINE M. MATTHEW — HARFORD COUNTY, MD.

NOTARIZED WITHOUT FEE BY THE ELECTION OFFICE

*FINAL ACCEPTANCE OF THIS CERTIFICATE PENDING VERIFICATION OF THE ABOVE.

FOR ELECTION BOARD USE ONLY 86-0506

THE ABOVE DECLARATION IS CORRECT AS TO NAME AND ADDRESS, PARTY AFFILIATION, CONGRESSIONAL DISTRICT, ELECTION DISTRICT OR WARD AND PRECINCT:

✓ YES _____ NO

IF NO, OUR RECORDS SHOW: Name _____

Address _____

Election District or Ward _____ Precinct _____

Congressional District _____ Party _____

The candidate's signed statement authorizes local board to make changes in records in all categories except party affiliation. Notice of change must be mailed to the voter. (Article 33, Section 3-9(b)).

Records changed, notice sent (date) _____

Signature of person completing Election Board section: per Marie Mech at Balto City Bd 4-28-86 LG

Exhibit 7

State of Maryland
Campaign Fund Report Summary Sheet

Detailed Instructions Relating To All Entries On Reverse Side Of This Sheet

(A) Name of Account (As filed with election office): FRIENDS OF BEN CARDIN I

(B) Campaign Fund Account Number: 86 00 0120 B

Elective Office (C)	District Represented (D)	(E) BANK ACCOUNT INFORMATION	Bank Name	Account Number
		(E1) Checking Account	Union Trust Company	079-02972
		(E2) Other Accounts	Maryland National Bank	24141111
			Senator Savings & Loan	6355
			Baltimore Federal Finan.	03-1141419
			Fairfax Savings Assoc.	50-03-44189

Check Report Due Date:

(F) Reporting Due Dates and Transaction Periods:

____ 10-5-86 (All Transactions Thru 10-5-86)

____ 08-06-86 (Transactions from 08-06-86 Thru 08-24-86)

____ 10-24-86 (Transactions from 08-25-86 Thru 10-19-86)

____ 11-25-86 (Transactions from 10-20-86 Thru 11-18-86)

____ 05-04-87 (Transactions from 11-19-86 Thru 04-27-87)

____ 11-04-87 (Transactions from 04-28-87 Thru 10-28-87)

Indicate below if report is "Final" or amendment to a previous report:

(G) Final ____ Yes X No
All transactions since last report

(H) ____ Amendment to previous report
(Also check due date of report being amended)

(I) TRANSACTION CLASSIFICATIONS	Schedule Column Reference Number (J)	Total Transaction Summary Amounts (K)
(L) Opening Balance brought forward from previous report, if any. If first report, opening balance should be "0"		$ 128,767.42
(M) Receipts from Schedule 1, Contributions and Receipts, except In-Kind	Column 4	$ 6,288.76
(N) Receipts from Schedule 1A, Transfers from Other Campaign Funds	Column 3	$ -0-
(O) Total Cash Available (Add lines L, M and N)		$ 135,056.18
(P) Disbursements from Schedule 2, Salaries and all payments other than loan payments	Column 4	$ 120.00
(Q) Disbursements from Schedule 2, Loan Payments	Column 5	$ -0-
(R) Disbursements from Schedule 2, Transfers to other Funds	Column 6	$ 132,730.79
(S) Total Disbursements (Add lines P through R)		$ 132,850.79
(T) Cash Balance End of Transaction Period (Subtract line S from line O)		$ 2,205.36
(U) Total Outstanding Obligations from Schedule 3	Column 4	$ -0-
(V) In-Kind Contributions from Schedule 4	Column 4	$ -0-

Failure to provide all of the information required by this form will be regarded as a FAILURE TO FILE.

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

	Date	Printed Name
(W) Signature of Candidate	8/11/86	Mark D. Dopkin
(X) Signature of Treasurer	8/11/86	Robert A. Rombro
(Y) Signature of Chairman		

FOR BOARD USE ONLY

SEE REVERSE SIDE FOR INSTRUCTIONS

Schedule No. 2—Disbursements

(A) Name of Account FRIENDS OF BEN CARDIN I

(B) Report Period—Transactions from October 27, 19 85 through August 5, 19 86

(1) DATE	(2) CHECK NO.	(3) PAYEE AND ADDRESS	(4) SALARIES AND ALL PAYMENTS OTHER THAN LOAN PAYMENTS		(5) LOAN PAYMENTS	(6) Amount of Transfer To Other Campaign Accounts. Account Name Required in Column #3
			Code	Amount	Amount	Amount
	Union Trust					
11-5-85	118	James W. Rouse American City Bldg., Suite 610 Columbia, MD 21044 (refund of contribution)	0	120.00		
12-5-85	119	Ben Cardin for Congress 20 S. Charles St., 10th Fl., Baltimore, MD 21201				$1,000.00
[redacted]0-86	120	Ben Cardin for Congress				60,000.00
[redacted]30-86	121	Ben Cardin for Congress				10,000.00
	Fairfax Savings					
12-11-85	104	Friends of Ben Cardin				1,000.00
12-16-85	105	Friends of Ben Cardin				1,000.00
12-20-85	106	Friends of Ben Cardin				103.74
	Md. Nat'l Bk					
12-30-85	104	Friends of Ben Cardin				1,000.00
1-22-86	105	Friends of Ben Cardin				1,000.00
4-11-86	106	Ben Cardin for Congress				5,000.00
		TOTALS THIS PAGE		120.00		80,103.74

FAILURE TO PROVIDE ALL THE INFORMATION REQUIRED BY THIS FORM WILL BE REGARDED AS A FAILURE TO FILE.

SEE REVERSE SIDE FOR INSTRUCTIONS

Schedule No. 2—Disbursements

(A) Name of Account FRIENDS OF BEN CARDIN I

(B) Report Period—Transactions from October 27, 19 85 through August 5, 19 86

(1) DATE	(2) CHECK NO.	(3) PAYEE AND ADDRESS	(4) SALARIES AND ALL PAYMENTS OTHER THAN LOAN PAYMENTS		(5) LOAN PAYMENTS	(6) Amount of Transfer To Other Campaign Accounts. Account Name Required in Column #3
	Md. National	Bank	Code	Amount	Amount	Amount
5-19-86	Transfer	Ben Cardin for Congress				30,000.00
6-6-86	Transfer	Ben Cardin for Congress				15,000.00
[redacted]-86	Transfer	Ben Cardin for Congress				7,627.05
		TOTALS THIS PAGE				52,627.05

FAILURE TO PROVIDE ALL THE INFORMATION REQUIRED BY THIS FORM WILL BE REGARDED AS A FAILURE TO FILE.

Exhibit 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

TRANSFER OF CANDIDATE FUNDS TO FEDERAL COMMITTEE*

Frequently, state candidates decide to become candidates for Federal office. From time to time, they inquire as to whether they can use, as their initial source of capital, funds contributed to their State election committee. The following material addresses this matter.

General Rule

Candidates for Federal office are required to authorize one or more committees to receive contributions and make expenditures on their behalf. Authorized committees of the same candidate may transfer unlimited funds between each other.

In the case of a Federal candidate who was previously a candidate for State office, unlimited transfers may occur, under certain circumstances, between the candidate's State committee and his/her Federal committee. Any funds transferred from the State to the Federal committee, however, are subject to the limitations and prohibitions of the Federal Election Campaign Act (the Act). This means that State funds which include prohibited or excessive contributions may not be transferred to the Federal committees.

What limitations and prohibitions apply to contributions to Federal candidates?

1. Contribution limits may be summarized as follows:
   Individual - $1,000 per candidate per election
   Political Committee - $1,000 per candidate, per election
   Multicandidate Committee** - $5,000 per candidate, per election.
2. The following sources are prohibited from financing Federal elections: corporations, labor organizations, national banks, Federal government contractors and foreign nationals.

How can a State candidate committee demonstrate that the funds it transfers to the Federal committee are from permissible sources? The State Committee may:

1. Establish a separate account containing only those funds which comply with the limitations and prohibitions of the Act; or
2. Demonstrate through a reasonable accounting method that the State committee has received sufficient funds that are permissible under the Act to make the transfer. 11 CFR 102.5(b).

How can the State committee eliminate impermissible funds from its transfer to the Federal committee? The State committee eliminates impermissible funds by checking its records to determine the source and amount of its contributions. Suppose, for example, the State committee has $8,000 in its bank account and wishes to transfer that entire amount to the Federal committee. The State committee would examine the records concerning the donations (aggregating $8,000) most recently received in order to determine whether or not they were permissible. If any of the donations came from prohibited sources or exceeded contribution limits, they could not be transferred to the Federal committee. The amount of the transfer would have to be reduced accordingly. See, for example, AOs 1984-46 and 1985-2.

If the candidate's State committee transfers funds to the Federal committee, do contributions to the State committee count against the contributors' respective limits for the candidate's Federal election? Yes, if the original contributions to the State committee were made during the same election cycle in which the transfer was made to the Federal committee. AO 1982-52.

---

*Excerpted from the January 1986 issue of the FEC's monthly newsletter, the Record, Vol. 12, No. 1.

**A multicandidate committee is any political committee with more than 50 contributors that has been registered for at least 6 months and, with the exception of State party committees, has made contributions to 5 or more candidates for Federal office.

Who is responsible for making sure that the transfer does not cause contributors to both the State and Federal committees of the same candidate to exceed their limits? The State committee, the Federal committee and the treasurers of both. The committees must aggregate any contribution that might be transferred with contributions made by the same contributor to the federal committee during the same election cycle. If the aggregation indicates that this particular transfer would cause a contributor to exceed his or her limits for the candidate, the transfer would have to be reduced by the total amount of the excess.

Do the contribution limits apply to funds raised by the State committee in a previous election cycle but transferred during the current election cycle? No. Funds raised by a State committee during a previous election cycle (e.g., during 1983-84) and later transferred to the Federal account would not count against an individual contributor's current limits for that candidate (e.g., 1985-86). AO 1977-24.

Will the transfers from the State to the Federal committee trigger a registration requirement? They may. If the State committee transfers more than $1,000 in a given calendar year to the Federal committee, it becomes a political committee under the Act. A political committee must register within 10 days after exceeding the $1,000 threshold and file reports. To avoid having to register and report under the Federal law, a State committee may decide not to transfer more than $1,000 to the Federal committee. 11 CFR 100.5.

If the State Committee transfers more than $1,000 and registers under the Federal election law, would either committee have to disclose the original contributors of the transferred funds? Yes. The State Committee (which has just become a registered political committee under the Act) would be responsible for disclosing the itemized information about contributors on its first report. On the disbursement side, it would show a transfer out to the candidate's Federal committee.

Would the candidate's Federal committee also have to disclose the contributors of the transferred funds? No, but it would report, as "miscellaneous" receipts, the full amount of the transferred funds. Detailed itemization of the contributors would not be required. AOs 1985-2 and 1984-46.

How long does the State committee (now registered under the Act) have to keep reporting? The State Committee can use its very first report as its final report if it wishes merely to disclose the transfer and then cease to be active in Federal elections. The box on the reporting form should be checked to indicate that this report is a termination report.

Does that mean the State committee no longer has a reporting obligation under the Act? Hopefully. Reports analysts will review the termination report. The State committee may be required to provide further information if the termination procedures are not followed. See 11 CFR 102.3.

Does the State committee, now Federal, still have to keep records? Yes. The treasurer must preserve all records and accounts for three years after the report, to which such records and accounts relate, is filed. 11 CFR 102.9.

If the State committee only transferred $800 and therefore did not register, how would the transfer be disclosed by the recipient Federal committee? The entire $800 would be disclosed as a "miscellaneous receipt" from the State committee. In addition, the committee should include a statement indicating the permissibility of the funds transferred.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 20, 1989

Ross Pierpont, M.D.
5602 Enderly Road
Baltimore, Maryland 21212

Dear Dr. Pierpont:

This is to acknowledge receipt of your letter on June 9, 1989. Although your letter was sworn to and notarized, the jurat did not indicate that your letter was signed in the presence of the notary.

A statement from the notary that your letter was subscribed before her will be sufficient. We are sorry for the inconvenience that these requirements may cause you, but we are not statutorily empowered to proceed with the handling of a compliance action unless all the statutory requirements are fulfilled. See 2 U.S.C. § 437g.

If you have any questions concerning this matter, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

cc: Benjamin Cardin

OGC 3175

ROSS Z. PIERPONT, M.D.
5602 ENDERLY ROAD
BALTIMORE, MARYLAND 21212

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 JUN 23 AM 10: 31

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 23 PM 12: 02

June 22, 1989

Mr. Lawrence M. Noble
General Counsel
Frederal Election Commission
Washington, D.C. 20463

Dear Mr. Noble:

Find enclosed verification desired by you appended to your letter. If further information is desired, please advise.

Yours truly,

Ross Z. Pierpont, M.D.

RZP/pdk

1 5 3 1 8 4 0 4 0 0 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 20, 1989

Ross Pierpont, M.D.
5602 Enderly Road
Baltimore, Maryland 21212

Dear Dr. Pierpont:

This is to acknowledge receipt of your letter on June 9, 1989. Although your letter was sworn to and notarized, the jurat did not indicate that your letter was signed in the presence of the notary.

A statement from the notary that your letter was subscribed before her will be sufficient. We are sorry for the inconvenience that these requirements may cause you, but we are not statutorily empowered to proceed with the handling of a compliance action unless all the statutory requirements are fulfilled. See 2 U.S.C. § 437g.

If you have any questions concerning this matter, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

cc: Benjamin Cardin

Please be advised that the preamble set forth was subscribed before me on 6/6/89.

Dina C. Marsh-Alexander

Dina C. Marsh-Alexander, Notary Public
My commission expires 1 July 1990.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 29, 1989

The Honorable Benjamin L. Cardin
507 Cannon House Office Building
Washington, DC 20515-2003

RE: MUR 2920

Dear Mr. Cardin:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2920. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. 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.

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

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

CC: Mark D. Dopkin, Treasurer
Ben Cardin For Congress
20 S. Charles Street, 10th Floor
Baltimore, MD 21201

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 29, 1989

Ross Pierpont, M.D.
5602 Enderly Road
Baltimore, MD 21212

RE: MUR 2920

Dear Dr. Pierpont:

This letter acknowledges receipt on June 23, 1989, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by The Honorable Benjamin L. Cardin. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 2920. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints. If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

90040781535

OGC 3458

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

89 JUL 18 AM 10:50

The Honorable Benjamin L. Cardin
507 Cannon Office Building
Washington, D.C. 20515-2003

July 14, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Federal Election Commission
General Counsel's Office
999 E Street, N.W.
Washington, D.C. 20463

ATTENTION: Mr. George Rishel

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUL 18 PM 12:14

RE: MUR 2920

Dear Mr. Rishel:

This letter is in response to a Complaint (the "Complaint") filed by Ross Z. Pierpont (the "Complainant") dated June 6, 1989 and sent to the undersigned by letter dated June 29, 1989. The Complaint was received at the offices of Benjamin L. Cardin on July 6, 1989.

The Complaint lists Benjamin L. Cardin as the Respondent. This response is filed on behalf of both Benjamin L. Cardin and Ben Cardin for Congress, a committee validly organized and existing under Title 2 of the United States Code. For purposes of this response, Benjamin L. Cardin is referred to individually as "Cardin", Ben Cardin for Congress is referred to individually as the "Committee", and Cardin and the Committee are referred to collectively as the "Respondent".

1. The Preamble to the Complaint describes the real purpose for the Complainants's filing the Complaint. The Complainant has attempted to bring charges against Cardin for the past three years. Similar Complaints were presented to the Assistant U. S. Attorney for Maryland, who refused to look into any of the Complainant's allegations. As noted below, the State of Maryland looked into his spurious claims and found that the Respondents, as well as Friends of Ben Cardin, a Maryland committee for Cardin's candidacy for state office, did not violate any law and that there was no basis in fact or law for the Complainant's accusations. Having failed at all levels to find wrongdoing on behalf of Cardin, he now turns to the Federal Election Commission. As the Preamble and other parts of the Complaint indicate, the principal matters of alleged wrongdoing are State of Maryland issues and not matters for consideration by the Commission.

2. The Complaint alleges that Cardin violated Section 4-104 of Article 40A of the Annotated Code of Maryland when Cardin signed the Executive Notification Financial Disclosure Statement Supplement (See Complainant's Exhibit 2) (the "Executive Notice") and the Certificate of Withdrawal Financial Disclosure Statement Supplement (See Complainant's Exhibit 3) (the "Supplemental Notice"). Also, the Complaint alleges violations of State election laws in the transfer of funds reported on State of Maryland campaign reports.

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These allegations are meritless and warrant no action by the Commission for the following three reasons: First, the Complainant correctly states that this "appears to be a State of Maryland problem and does not extend to the Federal Election Commission." Second, these allegations do not state grounds for violations of the Federal Election Campaign Act of 1971, as amended. Third, these same allegations were made by the Complainant to Mr. Stephen Montanarelli, Special Prosecutor for the State of Maryland. After an in-depth investigation, including a review of the withdrawal of funds, the Special Prosecutor found no wrongdoing or violations of law by Cardin, and closed this case accordingly. The Special Prosecutor rendered the following conclusion:

> The State Prosecutor's Office reviewed the applicable campaign reports, Cardin's ethics disclosure statements and bank records of the Campaign Committee. Based on the findings of the investigation, the State Prosecutor determined that neither the election nor the ethics statutes were violated. See, Report of the State Prosecutor, 1987 and 1988, page 9.

3. The second allegation by the Complainant concerns the "proper handling of money collected under Maryland State Regulations being brought into a Federal Election where Federal regulations apply". The Complaint questions whether corporate funds, properly contributed to a State of Maryland campaign

committee, were transferred to a Federal committee, and whether individual donations received by a State of Maryland campaign committee were transferred to a Federal committee in excess of the maximum amount permitted by an individual contributor. For the reasons set forth herein, these questions are answered in the negative. Thus, this allegation should also be dismissed.

The Federal Election Commission instruction subtitled "Transfer of Candidate Funds to Federal Committee" states:

> **How can a State candidate committee demonstrate that the funds it transfers to the Federal committee are from permissible sources?** The State Committee may:
>
> 1. Establish a separate account containing only those funds which comply with the limitations and prohibitions of the Act; or
>
> 2. Demonstrate through a reasonable accounting method that the State committee has received sufficient funds that are permissible under the Act to make the transfer. 11 CRR 102.5(b).
>
> **How can the State committee eliminate impermissible funds from its transfer to the Federal committee?** The State committee eliminates impermissible funds by checking its records to determine the source and amount of its contributions. Suppose, for example, the State committee has $8,000 in its bank account and wishes to transfer that entire amount to the Federal committee. The State committee would examine the records concerning the donations (aggregating $8,000) most recently received in order to determine whether or not they were permissible. If any of the donations came from prohibited sources <u>or</u> exceeded contribution limits, they could not be transferred to the Federal committee.

The amount of the transfer would have to be reduced accordingly. See, for example, AOs 1984-46 and 1985-2.

The Committee followed these instructions in the transfer of funds from a State committee (Friends of Ben Cardin I) to a Federal Committee (Ben Cardin for Congress) as evidenced by the attached affidavit of Mark D. Dopkin, Treasurer for both committees. Thus, this allegation of the Complainant is also without merit and should be dismissed.

4. The Respondents further state that the Complaint lacks any substance whatsoever, that it is a vindicative undertaking and was filed by the Complainant in bad faith.

For the reasons stated, the Respondents respectfully request that Complaint be dismissed, that no action be taken against Cardin or the Committee, and that the file be closed.

Sincerely yours,

Benjamin L. Cardin

BEN CARDIN FOR CONGRESS

By: Mark D. Dopkin, Treasurer

C:\WP\CLTLTRS\CARDIN.FEC 071489 1517

AFFIDAVIT

RE: MUR 2920

I, Mark D. Dopkin, do solemnly swear as follows:

1. I am of legal age and competent to give this Affidavit.

2. I was treasurer for Friends of Ben Cardin I ("FBC") a State of Maryland election committee at all pertinent times.

3. From its inception to the date hereof, I have been treasurer of Ben Cardin For Congress ("BCC") a Federal election committee authorized to receive contributions and make expenditures on behalf of Ben Cardin, as a candidate for the House of Representatives from the Third Congressional District of Maryland, and now the Congressman for that district.

4. Funds were transferred from FBC to BCC subject to the limitations and prohibitions of the Federal Election Campaign Act of 1971, as amended (the "Act"). State funds which included prohibited or excessive contributions under the Act were not transferred to BCC. All funds so transferred were in full

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compliance with the Act.

5. FBC was established as a separate account to receive contributions from individuals only (not from corporations, trade unions or PACs). It received only funds which complied with the limitations and prohibitions of the Act.

6. FBC received contributions from individuals only. No individual contributed more than $1,000 to FBC. FBC's accounts contained only those funds which complied with the limitations and prohibitions of the Act.

7. FBC complied with the limitations and prohibitions regarding the transfer of candidate funds to a Federal committee as set forth in the Federal Election Commission instructions entitled "Transfer Of Candidate Funds To Federal Committee" (the "Instructions"). FBC determined the sources and amounts of its contributions by examining its records concerning donations most recently received. In compliance with the Instructions, FBC used the FIFO method of determining permissible transfers. In other words, first monies received were deemed first monies spent. Then, working backwards, FBC identified the donations most recently received which totaled the amount transferred to BCC. When the transfer was made, the names of the persons who had made contributions to FBC were entered in the BCC computer and merged with contributions made directly to BCC during the applicable

reporting period to insure that the $1,000 limit was not exceeded and that aggregate contributions in excess of $200 would be reflected on the BCC Campaign Report.

8. FBC and BCC aggregated any contribution that was transferred with contributions made by the same contributor to BCC during the same election cycle. This was done to assure that the aggregation indicated that the transfer did not cause a contributor to exceed his or her limits for the candidate.

9. Both FBC and BCC disclosed the original contributors of the transferred funds in accordance with the Act. FBC disclosed the itemized information about contributors on its reports, and showed a transfer to BCC. BCC accounted for the receipt of the contributions of the transferred funds in accordance with the Act.

Mark D. Dopkin

Affiant

STATE OF MARYLAND

CITY OF BALTIMORE

I HEREBY CERTIFY, that on this 14th day of July, 1989, before me, the subscriber, a Notary Public of the State of

Maryland, in and for the City of Baltimore, personally appeared Mark D. Dopkin, the above named Affiant, who made oath in due form of law that the matters and facts set forth in the Affidavit are true to the best of his knowledge, information and belief.

Pamela L Hatch

Notary Public

PAMELA L. HATCH
NOTARY PUBLIC
BALTIMORE CITY MD

My Commission Expires: July 1, 1990

C:\WP\CLTLTRS\CARDIN.AFFIDAVIT 071489 1513

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

89 AUG 23 AM 11: 14

SENSITIVE

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

FIRST GENERAL COUNSEL'S REPORT

MUR 2920
DATE COMPLAINT RECEIVED
BY OGC: June 23, 1989
DATE OF NOTIFICATION TO
RESPONDENTS: June 29, 1989
STAFF MEMBER: George F. Rishel

COMPLAINANT:	Ross Z. Pierpont
RESPONDENTS:	Rep. Benjamin L. Cardin Ben Cardin for Congress and Mark D. Dopkin, as treasurer Friends of Ben Cardin I and Mark D. Dopkin, as treasurer
RELEVANT STATUTES:	2 U.S.C. § 433 2 U.S.C. § 434 2 U.S.C. § 441a 2 U.S.C. § 441b 11 C.F.R. § 102.6(a) Advisory Opinion 1984-3 Advisory Opinion 1985-2 Advisory Opinion 1987-12
INTERNAL REPORTS CHECKED:	Ben Cardin for Congress
FEDERAL AGENCIES CHECKED:	NONE

I. GENERATION OF MATTER

The complaint in this matter was filed on June 23, 1989, by Ross Z. Pierpont, the Republican candidate for Congress in the Third District of Maryland in the 1984, 1986, and 1988 elections. A response was filed on July 18, 1989, by Representative Benjamin L. Cardin and by Mark D. Dopkin, treasurer of Ben Cardin for Congress ("BCC"), Rep. Cardin's principal campaign committee, on their behalf. This Office requested copies of the state committee's reports from the Maryland State Administrative Board

of Election Laws, which were received on July 27 and August 14.

II. FACTUAL AND LEGAL ANALYSIS

A. State Filings

The complainant first makes allegations regarding certain filings made by Rep. Benjamin Cardin in 1986 pursuant to Maryland law. He refers to financial disclosure statements filed by a state committee of Rep. Cardin, the "Friends of Ben Cardin I" ("FBC") under Maryland law and specifically to a reported withdrawal of $25,000 on May 10, 1985, which he alleges was withdrawn from Old Court Savings and Loan on the day it closed. He further alleges that Rep. Cardin executed a statement under oath on July 2, 1986, to the Maryland State Ethics Commission in which he denied making such a withdrawal.

The complainant acknowledges that "all of this appears to be a State of Maryland problem and does not extend to the Federal Election Commission." Nevertheless, he claims it bears on Rep. Cardin's election to Congress in 1986. He specifically asks whether the statement under oath made after Rep. Cardin became a candidate for Congress was "an act of perjury" and, if so, if Rep. Cardin has "disqualified himself automatically to serve in Congress as of that date?"

The response notes that "these allegation do not state grounds for violations of the Federal Election Campaign Act of 1971, as amended." It further notes that the same allegations were made to the Special Prosecutor for the State of Maryland, who "found no wrongdoing or violations of law by Cardin and closed this case accordingly."

In the view of this Office, the complaint has not presented any allegation of violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), or Commission regulations in this regard. Therefore, these claims are outside the jurisdiction of the Federal Election Commission.

B. Transfer of Funds

The complainant also draws attention to a report filed by FBC with the State of Maryland covering the period from October 27, 1985, to August 5, 1986, that discloses $127,627.05 in transfers from FBC to BCC in calendar year 1986 as follows:

Date	Amount
4-11-86	$5,000.00
5-19-86	$30,000.00
5-20-86	$60,000.00
6-6-86	$15,000.00
6-23-86	$7,627.05
6-30-86	$10,000.00
Total	$127,627.05[1]

He questions whether the funds transferred, which were presumably raised pursuant to Maryland law, included funds prohibited under the Act or funds in excess of the contribution limitations of the Act. He also questions whether the state committee (FBC) was "federalized" for reporting purposes.

The response quotes from a Commission flyer regarding transfers of candidate funds to federal committees that is apparently an excerpt from the FEC Record. The sections quoted

1. The reports also disclose a $1,000 transfer from FBC to BCC on December 5, 1985. This transfer is not relevant to the allegation because it did not exceed $1,000 in calendar year 1985.

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relate to how a state committee can show the funds its transfers are permissible and how it can eliminate impermissible funds from the transfers. The response states that these procedures were followed and attaches an affidavit executed by the treasurer of FBC and BCC, Mark D. Dopkin.

In his affidavit, Dopkin avers that all funds transferred from FBC to BCC were permissible under the Act and that no prohibited or excessive contributions were transferred. He states that "FBC was established as a separate account to receive contributions from individuals only" and that it "received only funds which complied with the limitations and prohibitions of the Act." He further avers that "[n]o individual contributed more than $1,000 to FBC."

Dopkin further explains in his affidavit that when making the transfers FBC examined it records and "identified the donations most recently received which totaled the amount transferred to BCC." He adds that when the transfers were made, the names of these contributors "were entered in the BCC computer and merged with contributions made directly to BCC during the applicable reporting period to insure that the $1,000 limit was not exceeded and that aggregate contributions in excess of $200 would be reflected on the BCC Campaign Report." He states that "FBC disclosed the itemized information about contributors on its reports and showed a transfer to BCC." In turn, he says "BCC accounted for the receipt of the contributions of the transferred funds in accordance with the Act."

Clarification of these latter statements is necessary. The

reporting of the itemization of the contributions and the transfers by FBC refers to the reports FBC filed with Maryland. See Attachment 2. There is no record of FBC ever registering and reporting with the Commission as a separate federal political committee. BCC did not report any bulk transfer received from FBC, but instead reported the individual contributions making up each transfer from FBC as if such contributions had been received directly by BCC. See Attachment 3.

The Act prohibits a federal political committee or candidate from knowingly accepting, directly or indirectly, corporate or union contributions. 2 U.S.C. § 441b. It also prohibits a political committee from knowingly accepting contributions in excess of the limitations of Section 441a. 2 U.S.C. § 441a(f). Commission regulations permit unlimited transfers between affiliated committees whether or not both committees are political committees under the Act. 11 C.F.R. § 102.6(a)(1). If a transfer from an affiliated nonfederal committee, however, exceeds $1,000 in any calendar year, the nonfederal committee will be required to register and report. 11 C.F.R. § 102.6(a)(2). The Act includes transfers from affiliated committees as a separate reporting and itemization category. 2 U.S.C. §§ 434(b)(2)(F) and 434(b)(3)(D). The application of these provisions to transfers between the state committee and the federal committee of a federal candidate has been described in further detail in several advisory opinions. See Advisory Opinions 1987-12, 1985-2, and 1984-3. The purpose underlying these provisions is to insure that funds transferred to federal

committees meet the prohibitions and limitations of the Act, that the source of funds flowing into federal campaigns is timely disclosed, and, where necessary, that contributions making up the transfers are also aggregated.

This Office obtained copies of FBC's reports filed with the State of Maryland for the periods covering October 27, 1984, through August 5, 1986. During this period, FBC had total receipts of $150,945.75, which exceeds the total amount transferred to BCC. The itemization of receipts in these state reports shows that all of FBC's receipts consisted of contributions from individuals as well as interest earned or tax refunds. None of the individual contributions exceeded $1,000, though FBC did not apparently include aggregate amounts received for all contributors. These reports corroborate the treasurer's affidavit that all funds transferred from FBC to BCC came from permissible sources and, apparently, in permissible amounts.

The dates of the transfers at issue here all fell during the reporting period for the 1986 July Quarterly Report, covering April 1, 1986, through June 30, 1986. That report disclosed $285,591.61 in contributions consisting of $36,594.06 from other political committees, $140,692.55 in unitemized contributions and $108,285.00 in itemized contributions. No transfers from affiliated committees (such as FBC) are reported or itemized. Instead, as the Respondents state, BCC's reports have included in the itemized and unitemized contributions those contributions to FBC making up the funds transferred using a LIFO method as set out in the advisory opinions.

For instance, FBC itemized the following contributions in its reports as received on November 13, 1984:

Name	Amount
Louis Salzman	$600
Anne A. Leutkemeyer	900
James D. Stone	900
Wilson E. Bradley	240
Margaret A. Wisnom	600

The BCC's July Quarterly Report itemized the Stone, Bradley, and Wisnom contributions and $270 of the Leutkemeyer contribution but no contributions from Salzman. Compare Attachment 2, page 14 with Attachment 3, pages 117, 135, 144, 148, and 151. Thus, in using the LIFO method, the Respondents apparently reached the total amount transferred with $270 of the $900 contribution from Anne A. Leutkemeyer.[2]

A random check of large contributions made to FBC after November 13, 1984, shows that these contributions are also itemized on BCC's July Quarterly Report. FBC reports a $1,000 contribution from Willard Hackerman on January 16, 1985. See

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2. In Advisory Opinion 1987-12, the Commission stated that contributions received by the state committee before the previous general election and at a time when the state official was not a candidate for federal office did not need to be aggregated with later contributions made by the same donors directly to the federal committee. This opinion was issued in June 1987, a year after the transfers involved here. Nevertheless, even if the rationale of this opinion were applied to the transfers involved in this matter, we note that the earliest contribution to the state committee that was included in the transfers was received on November 13, 1984, which was after the 1984 general election (even though Benjamin Cardin was not a federal candidate at that time). Therefore, all of the contributions so transferred required aggregation with later contributions to the federal committee. Respondents state in the affidavit that such aggregation was, in fact, accomplished, and their reports corroborate this statement.

Attachment 2, page 38. This contribution is itemized on BCC's report as received on April 30, 1986 for the primary election.[3] See Attachment 3, page 127. A similar pattern is evident for Gerald I. Goldberg (compare Attachment 2, page 62 with Attachment 3, page 125), Marge Abelt (compare Attachment 2, page 92 with Attachment 3, page 114), and Maria G. Lambrow (compare Attachment 2, page 93 with Attachment 3, page 133). This comparison corroborates the treasurer's affidavit that BCC reported and itemized the individual contributions making up the transfers from FBC as if they had been received directly by BCC.

The information provided by the response and by the reports filed by BCC demonstrate that the funds transferred from FBC to BCC did not include any prohibited funds and did not include any contributions from individuals in excess of $1,000. Therefore, there is no reason to believe FBC and BCC violated 2 U.S.C. §§ 441a and 441b. FBC, however, transferred more than $1,000 to BCC in calendar year 1986 but did not register and report as a political committee with the Commission. Therefore, there is reason to believe FBC violated 2 U.S.C. §§ 433 and 434. Although BCC itemized the individual contributions making up the transfers on its reports, it did not disclose any bulk transfer from FBC. Therefore, there is reason to believe BCC violated 2 U.S.C. §§ 434(b)(2)(F) and 434(b)(3)(D). Furthermore, there is no reason to believe Representative Benjamin L. Cardin personally

---

3. The dates BCC reported for the receipt of these contributions do not appear to match up precisely with the dates FBC reported for the transfers to BCC. Thus, it cannot be determined at this time how BCC determined the dates used on its reports.

violated any provision of the Act on the basis of the complaint filed in this matter.

III. **RECOMMENDATIONS**

1. Find no reason to believe Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 441a and 441b.

2. Find no reason to believe Ben Cardin for Congress and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 441a and 441b.

3. Find no reason to believe Benjamin L. Cardin violated any provision of the Federal Election Campaign Act of 1971, as amended, on the basis of the complaint in MUR 2920 and close the file as it pertains to Benjamin L. Cardin.

4. Find reason to believe Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 433 and 434.

5. Find reason to believe Ben Cardin for Congress and Mark D. Dopkin, as treasurer, violated 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D).

6. Approve the attached letters and factual and legal analyses.

Lawrence M. Noble
General Counsel

8/22/89
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
1. Response
2. State Reports(10-27-84 to 8-5-86)
3. Federal Report (1986 July Quarterly-Receipts)
4. Proposed letters(3) and factual and legal analyses(2)

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2920
Rep. Benjamin L. Cardin	)	
	)	
Ben Cardin for Congress and Mark D. Dopkin, as treasurer	)	
	)	
Friends of Ben Cardin I and Mark D. Dopkin, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 25, 1989, the Commission decided by a vote of 5-0 to take the following actions in MUR 2920:

1. Find no reason to believe Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 441a and 441b.

2. Find no reason to believe Ben Cardin for Congress and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 441a and 441b.

3. Find no reason to believe Benjamin L. Cardin violated any provision of the Federal Election Campaign Act of 1971, as amended, on the basis of the complaint in MUR 2920 and close the file as it pertains to Benjamin L. Cardin.

4. Find reason to believe Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 433 and 434.

(continued)

5. Find reason to believe Ben Cardin for Congress and Mark D. Dopkin, as treasurer, violated 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D).

6. Approve the letters and factual and legal analyses, as recommended in the General Counsel's Report dated August 22, 1989.

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

Attest:

August 28, 1989
Date

Hilda Arnold
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Wednesday, August 23, 1989 at 11:11 a.m.
Circulated to the Commission:	Wednesday, August 23, 1989 at 4:00 p.m.
Deadline for vote:	Friday, August 25, 1989 at 4:00 p.m.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1989

The Honorable Benjamin L. Cardin
United State House of Representatives
507 Cannon House Office Building
Washington, D.C. 20515-2003

RE: MUR 2920
Benjamin L. Cardin

Dear Representative Cardin:

On June 29, 1989, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act").

On August 28 , 1989, the Commission found, on the basis of the information in the complaint, and information provided by your committee, that there is no reason to believe you violated any provision of the Act on the basis of the complaint in MUR 2920. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

cc: Mark D. Dopkin, Treasurer
Ben Cardin for Congress
20 S. Charles Street, Tenth Floor
Baltimore, MD 21201

30040781557

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1989

Mark D. Dopkin, Treasurer
Ben Cardin for Congress
20 S. Charles Street, Tenth Floor
Baltimore, MD 21201

RE: MUR 2920
Ben Cardin for Congress and
Mark D. Dopkin, as treasurer

Dear Mr. Dopkin:

On June 29, 1989, the Federal Election Commission notified Ben Cardin for Congress ("Committee") and you, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on August 28, 1989, found that there is reason to believe the Committee and you, as treasurer, violated 2 U.S.C. §§ 434(b)(2)(F) and 434(b)(3)(D), provisions of the Act. On that date, the Commission also found no reason to believe the Committee and you, as treasurer, violated 2 U.S.C. §§ 441a and 441b. The Factual and Legal Analysis, which formed a basis for the Commission's findings, 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 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. 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 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 matter to be made public.

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Danny L. McDonald
Chairman

Enclosures
Designation of Counsel Form
Factual & Legal Analysis

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 8, 1989

Mark D. Dopkin, Treasurer
Friends of Ben Cardin I
20 S. Charles Street, Tenth Floor
Baltimore, MD 21201

RE: MUR 2920
Friends of Ben Cardin I and
Mark D. Dopkin, as treasurer

Dear Mr. Dopkin:

On August 28 , 1989, the Federal Election Commission found that there is reason to believe Friends of Ben Cardin I ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 433 and 434, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). On that date, the Commission also found no reason to believe the Committee and you, as treasurer, violated 2 U.S.C. §§ 441a and 441b. The Factual and Legal Analysis, which formed a basis for the Commission's findings, 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. 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 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 Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

OGC 4102

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 SEP 25 PM 4:18

LAW OFFICES
KAPLAN, HEYMAN, GREENBERG, ENGELMAN & BELGRAD, P.A.
TENTH FLOOR-SUN LIFE BUILDING
20 SOUTH CHARLES STREET
BALTIMORE, MARYLAND 21201
(301) 539-6967
TELECOPIER
(301) 752-0685

CHARLES B. HEYMAN
MANNES F. GREENBERG
WILLIAM H. ENGELMAN
HERBERT J. BELGRAD
EDWARD F. SHEA, JR.
THEODORE S. MILLER
ABRAHAM L. ADLER
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STEVEN R. FREEMAN
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BARBARA J. ENGLISH
NICHOLAS D. COWIE
JERAL A. MILTON

SOLOMON KAPLAN
1918-1988

September 22, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
89 SEP 25 PM 2:17

The Honorable Danny L. McDonald
Jeffrey Long, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Dear Chairman McDonald and Mr. Long:

Pursuant to your letter of September 8, 1989, on behalf of both Ben Cardin for Congress ("BCC") and Friends of Ben Cardin I ("FBC"), as Treasurer, I hereby request that the Commission pursue pre-probable cause conciliation in MUR 2920. I do not dispute the facts as stated in the Factual and Legal Analysis (the "Analysis") portion of your letter. However, I do believe some further elaboration is warranted.

As this letter explains, our error did not involve any concealment or delay in the reporting of information, and thus our reports were maintained at least within the spirit, if not the letter, of the Federal Election Campaign Act (the "Act"). According to the Analysis in your letter, the Act's policy goals are threefold: (1) "to insure that funds transferred to federal committees meet with prohibitions and limitations of the Act"; (2) "that the source of funds flowing into federal campaigns is timely disclosed"; and (3) "where necessary, that contributions making up the transfers are also aggregated." In every material respect, these goals were satisfied in our reporting of the FBC/BCC transferring. No funds transferred came from prohibited sources. All of the funds transferred were within the permissible limitations. The sources of the funds were timely disclosed on timely filed reports. Finally, contributors making up the transfers were aggregated as to each individual contributor.

In fact, all information in the federal reports was properly disclosed with the sole exception of the aggregate amount received from FBC; yet this information was made public in FBC's state filing. This means that all information was easily available to the public. Any violations merely grew out of our misunderstanding as to which committee -- FBC or BCC -- should properly disclose which information.

It may be true that FBC, which has now been terminated, should have registered and reported with the Commission as a federal committee. However, in 1986, when the funds were transferred from FBC to BCC, the information made available by the Commission to a Treasurer on the points in question was different than today's. The Commission's Campaign Guide for Congressional Candidates and Committees contained only passing reference to "Transfers" and made no mention of filing requirements of the state committee or aggregate requirement of the federal committee in prior reference. See Federal Election Commission, Campaign Guide for Congressional Candidates and Committees, June 1985, p. 15. Thus, it was very difficult for a Treasurer to know precisely how to report such transfers. Interestingly enough, when the Campaign Guide was revised -- well after the reporting dates involved in our alleged violations -- a detailed chapter was added on "Transfers." See Federal Election Commission, Campaign Guide for Congressional Candidates and Committees, July 1988, pp. 18-19.

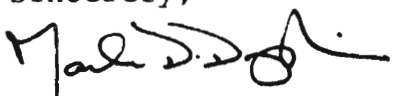
Without clear guidance on methods, I tried to fill out the reports so as to ensure full and timely disclosure of all the information the Act required. Therefore, my method of reporting may have been technically incorrect but all information was fully disclosed in a timely manner, if not federally, on the state report. As I understand the Commission's concern, both FBC and BCC should have itemized all contributors and reported the aggregate transfer. Instead, our reports had BCC itemize all contributors without reporting the transfer, and FBC, though reporting completely and accurately, did not register federally as well as with the state. However, the public's access to this information is nearly identical under either method.

In order to resolve this matter quickly, I am willing to take whatever reasonable steps that you suggest, including filing an amended federal report for BCC and a first and final federal report for FBC. Such filings would reflect for BCC's June 20, 1986 report a $127,625.05 "transfer[] from other authorized

committees" on line 12, and would make appropriate adjustments on line 11(a). The FBC report would report the individual contributors whose contributions were transferred to BCC and were reflected on BCC's June 1986 report. I will await your instructions in this regard.

We look forward to your reply.

Sincerely,



Mark D. Dopkin

MDD:jw

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
89 OCT -5 AM 11:23

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ben Cardin for Congress and Mark D. Dopkin, as treasurer	)	MUR 2920
	)	
Friends of Ben Cardin I and Mark D. Dopkin, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On August 25, 1989, the Commission found reason to believe the Friends of Ben Cardin I ("FBC") and Mark D. Dopkin, as treasurer, violated 2 U.S.C. §§ 433 and 434 and Ben Cardin for Congress ("BCC") and Mark D. Dopkin, as treasurer, violated 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D). These findings related to the failure of FBC[1] to register and report when it transferred $127,627.05 to BCC in 1986 and the failure of BCC to report and itemize the bulk transfer. Instead, BCC had reported and itemized the contributions originally received by FBC that made up the amount transferred. The Commission found no reason to believe the two committees had violated 2 U.S.C. §§ 441a and 441b in that the transfer did not include any prohibited funds or apparently any contributions from individuals in excess of the contribution limitations of the Federal Election Campaign Act of 1971, as amended ("the Act").

On September 25, 1989, this Office received a response from Mark D. Dopkin, treasurer for both committees, in which he

1. The response notes that FBC has terminated as a state committee.

requested preprobable cause conciliation and stated the committees' willingness to file appropriate reports and amendments.

II. ANALYSIS

The response states that the "error did not involve any concealment or delay in the reporting of information, and thus our reports were maintained at least within the spirit, if not the letter, of the" Act. It points out that the purposes for requiring the transferor committee to register and report as described in the Factual and Legal Analysis were essentially met. The response notes:

> No funds transferred came from prohibited sources. All of the funds transferred were within the permissible limitations. The sources of the funds were timely disclosed on timely filed reports. Finally, contributors making up the transfers were aggregated as to each individual contributor.

The response further points out that the information available to the Committee at the time of the transfer through the campaign guides was not as clear as it is today. It notes that the June 1985 campaign guide at page 15 "contained only passing reference to 'Transfers' and made no mention of filing requirements of the state committee or aggregate requirement of the federal committee in prior reference."[2] In contrast, it points out that the current campaign guide at pages 18-19 have a detailed chapter on transfers. The treasurer states:

> Without clear guidance on methods, I tried to fill out the reports so as to ensure full and timely

---

2. We note, however, that the registration and reporting requirements are set out in Commission regulations at 11 C.F.R. § 102.6(a)(2).

disclosure of all the information the Act required. Therefore, my method of reporting may have been technically incorrect but all information was fully disclosed in a timely manner, if not federally, on the state report.

In conclusion, the treasurer states that he is "willing to take whatever reasonable steps that [the Commission] suggest[s], including filing an amended federal report for BCC and a first and final federal report for FBC."

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

IV. RECOMMENDATIONS

1. Enter into conciliation with Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, and Ben Cardin for Congress and Mark D. Dopkin, as treasurer, prior to a finding of probable cause to believe.

2. Approve the attached proposed conciliation agreement and letter.

Lawrence M. Noble
General Counsel

10-4-89
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
1. Request for conciliation
2. Proposed Conciliation Agreement and letter

Staff assigned: Jeffrey D. Long
George F. Rishel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ben Cardin for Congress and Mark D. Dopkin, as treasurer; Friends of Ben Cardin I and Mark D. Dopkin, as treasurer	)	MUR 2920

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 10, 1989, the Commission decided by a vote of 5-0 to take the following actions in MUR 2920:

1. Enter into conciliation with Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, and Ben Cardin for Congress and Mark D. Dopkin, 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 October 4, 1989.

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

Attest:

Oct. 10, 1989
Date

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

Received in the Secretariat:	Thursday, October 5, 1989	11:23
Circulated to the Commission:	Thursday, October 5, 1989	4:00
Deadline for vote:	Tuesday, October 10, 1989	4:00

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

October 16, 1989

Mark D. Dopkin, Esquire
Kaplan, Heyman, Greenberg, Engelman
& Belgrad, P.A.
20 South Charles Street, Tenth Floor
Baltimore, MD 21201

RE: MUR 2920
Ben Cardin for Congress and
Mark D. Dopkin, as treasurer,
and Friends of Ben Cardin I
and Mark D. Dopkin, as
treasurer

Dear Mr. Dopkin:

On August 25, 1989, the Federal Election Commission found reason to believe that Ben Cardin for Congress and you, as treasurer, violated 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D) and Friends of Ben Cardin I and you, as treasurer, violated 2 U.S.C. §§ 433 and 434. At your request, on October 10, 1989, 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 Jeffrey D. Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

OGC 4494

ROSS Z. PIERPONT, M.D.
5602 ENDERLY ROAD
BALTIMORE, MARYLAND 21212

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
89 NOV -8 AM 11:12

November 7, 1989

MUR 2920

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 NOV -7 PM 9:33

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

Dear Counsel:

Enclosed is a copy of my complaint against Congressman Benjamin Cardin, D. 3rd of Maryland.

You will note that five months have passed since registration of this valid, detailed and completely supported complaint.

Would you please advise me of the status of my complaint and what actions have been taken.

Sincerely,

Ross Z. Pierpont, M.D.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 NOV -8 PM 1:12

RZP/pdk

P.S. The recent expose' involving Mr. Keating with his Lincoln Savings and Loan and the five Senators; Cranston of California, Glenn of Ohio, Riegle of Michigan and deConcini and McCain of Arizona; point up this one hundred fifty billion dollar savings and loan burden to the taxpayer. Congressman Cardin was heavily involved here in Maryland. Proper, timely investigation by the Federal Election Commission is very essential in this matter.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 16, 1989

Ross Z. Pierpont, M.D.
5602 Enderly Road
Baltimore, MD 21212

RE: MUR 2920

Dear Dr. Pierpont:

This is in response to your letter dated November 7, 1989 in which you request information pertaining to the complaint you filed on June 23, 1989, with the Federal Election Commission.

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits any person from making public the fact of any notification or investigation by the Commission, prior to closing the file in the matter, unless the party being investigated has agreed in writing that the matter be made public. See 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A). Because there has been no written agreement that the matter be made public, we are not in a position to release any information at this time.

As you were informed by letter dated June 29, 1989, we will notify you as soon as the Commission takes final action on your complaint.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

LAW OFFICES
KAPLAN, HEYMAN, GREENBERG, ENGELMAN & BELGRAD, P.A.
TENTH FLOOR-SUN LIFE BUILDING
20 SOUTH CHARLES STREET
BALTIMORE, MARYLAND 21201
(301) 539-6967
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(301) 752-0685

CHARLES B. HEYMAN
MANNES F. GREENBERG
WILLIAM H. ENGELMAN
HERBERT J. BELGRAD
EDWARD F. SHEA, JR.
THEODORE S. MILLER
ABRAHAM L. ADLER
MARK D. DOPKIN
STANLEY S. FINE
SEARLE E. MITNICK
KENNETH P. NIMAN
JOHN PHILIP MILLER
LOWELL G. HERMAN
HARRIET E. COOPERMAN
RANDALL M. LUTZ
BARRY L. STEELMAN
WILLIAM D. SHAUGHNESSY, JR.
DANIEL S. KATZ
MICHAEL D. BERMAN

SOLOMON KAPLAN
1918-1988

THOMAS D. WOLFE
STEVEN R. FREEMAN
BARRY WEISKOPF
GARY L. ALEXANDER
BARBARA J. ENGLISH
NICHOLAS D. COWIE
JERAL A. MILTON
AMY J. SEGERT
ELISA J. SHERMAN

LOC 4936

December 21, 1989

89 DEC 26 AM 10:41

Jeffrey D. Long, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 2920

Dear Jeff:

I am enclosing two copies of the Conciliation Agreement in the matter of Ben Cardin for Congress and Friends of Ben Cardin-I. Each has been executed by me on behalf of the Respondents.

In anticipation of a prompt and successful conclusion to this matter, we have prepared the Amendatory Reports contemplated by the Concilition Agreement and are filing them with the Clerk with the House of Representatives. Copies are enclosed for your reference as follows:

1. Statement of Organization of Friends of Ben Cardin-I

2. Report of Receipts and Disbursements for Friends of Ben Cardin-I for the July 15, 1986 Quarter

3. Amendment to Report of Receipts and Disbursements for Ben Cardin for Congress to the July 15, 1986 Quarterly report.

Should you have any questions, please do not hesitate to call.

I would appreciate your providing me with a fully executed copy of the Conciliation Agreement as and when it is available.

Cordially,

Mark D. Dopkin

MDD:jw
Enclosures

cc: The Honorable Benjamin L. Cardin

RECEIVED
FEDERAL ELECTION COMMISSION
10 PM 5:01

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
Ben Cardin For Congress and Mark D. Dopkin, as treasurer	)	MUR 2920
Friends of Ben Cardin I and Mark D. Dopkin, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

Attached is a conciliation agreement which has been signed by Mark D. Dopkin, the treasurer of Ben Cardin for Congress ("BCC") and Friends of Ben Cardin I ("FBC").

II. RECOMMENDATIONS

1. Reject the counteroffer of Ben Cardin for Congress and Mark D. Dopkin, as treasurer, and Friends of Ben Cardin I and Mark D. Dopkin, as treasurer.

2. Approve the attached counterproposal and letter.

Lawrence M. Noble
General Counsel

1-10-90
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
1. Respondent's letter dated October 25, 1989
2. Respondent's counteroffer
3. Civil Penalty Check
4. Statement of Organization and Report Cover Sheets
5. Proposed counterproposal and letter

Staff Assigned: Jeffrey Long

90040074157 8

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /DELORES HARRIS DH
COMMISSION SECRETARY

DATE: JANUARY 16, 1990

SUBJECT: MUR 2920 - GENERAL COUNSEL'S REPORT
DATED JANUARY 10, 1990

The above-captioned document was circulated to the Commission on Thursday, January 11, 1990 at 11:00 a.m.

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

Commissioner Aikens	XXXX
Commissioner Elliott	
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	

This matter will be placed on the meeting agenda for Tuesday, January 23, 1990.

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

00040781579

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2920
Ben Cardin For Congress and Mark D. Dopkin, as treasurer	)	
Friends of Ben Cardin I and Mark D. Dopkin, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on January 30, 1990, do hereby certify that the Commission decided by a vote of 6-0 to reject the recommendations contained in the General Counsel's January 10, 1990 report and instead take the following actions in MUR 2920:

1. Accept the counteroffer of Ben Cardin for Congress and Mark D. Dopkin, as treasurer, and Friends of Ben Cardin I and Mark D. Dopkin, as treasurer.

2. Close the file.

3. Direct the Office of General Counsel to send an appropriate letter pursuant to the above noted actions.

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

Attest:

2-1-90
Date

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

OGC 9446

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 6, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ross Z. Pierpont, M.D.
5602 Enderly Road
Baltimore, Maryland 21212

RE: MUR 2920

Dear Mr. Pierpont:

This is in reference to the complaint you filed with the Federal Election Commission on July 3, 1989, concerning the Honorable Benjamin L. Cardin.

The Commission found that there was reason to believe Friends of Ben Cardin I violated 2 U.S.C. §§ 433 and 434 and Ben Cardin for Congress violated 2 U.S.C. §§ 434(b)(2)(F) and 434(b)(3)(D), provisions of the Federal Election Campaign Act of 1971, as amended, and conducted an investigation in this matter. On January 30, 1990, a conciliation agreement signed by the respondents was accepted by the Commission. Accordingly, the Commission closed the file in this matter on January 30, 1990. A copy of this agreement is enclosed for your information.

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

OGC 9495

CLOSED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 6, 1990

Mark D. Dopkin, Esquire
Kaplan, Heyman, Greenberg, Engleman
& Belgrad, P.A.
Tenth Floor-Sun Life Building
20 South Charles Street
Baltimore, Maryland 21201

RE: MUR 2920
Ben Cardin for Congress and
Mark D. Dopkin, as treasurer
and Friends of Ben Cardin I
and Mark D. Dopkin, as
treasurer

Dear Mr. Dopkin:

On January 30, 1990, 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. §§ 433 and 434 with regard to Friends of Ben Cardin I, and 2 U.S.C. §§ 434(b)(2)(F) and 434(b)(3)(D) with regard to Ben Cardin for Congress, provisions 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 Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ben Cardin for Congress	)	
and Mark D. Dopkin, as	)	
treasurer	)	MUR 2920
	)	
Friends of Ben Cardin I and	)	
Mark D. Dopkin, as	)	
treasurer	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Ross Z. Pierpont with regard to Friends of Ben Cardin I and on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities with respect to Ben Cardin for Congress. The Federal Election Commission ("Commission") found reason to believe that Ben Cardin for Congress and Mark D. Dopkin, as treasurer, violated 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D) and Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, ("Respondents") violated 2 U.S.C. §§ 433 and 434.

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. Ben Cardin for Congress is a political committee within the meaning of 2 U.S.C. § 431(4) and the principal campaign committee of Rep. Benjamin L. Cardin, who was a candidate for Congress in 1986.

2. Mark D. Dopkin is the treasurer of Ben Cardin for Congress.

3. Friends of Ben Cardin I was a political committee under the laws of the State of Maryland and was an authorized committee of Benjamin L. Cardin for election to state office.

4. Mark D. Dopkin was the treasurer of Friends of Ben Cardin I.

5. From April 11, 1986, to June 30, 1986, Friends of Ben Cardin I transferred a total of $127,627.05 to Ben Cardin for Congress.

6. Friends of Ben Cardin I reported the bulk amount of these transfers on reports it filed with the Maryland State Administrative Board of Election Laws. Friends of Ben Cardin I, however, did not register and file any reports with the Commission regarding these transfers.

7. Ben Cardin for Congress reported and itemized the individual contributions making up the transfers on the 1986 July Quarterly Report filed with the Commission. Ben Cardin for Congress, however, did not report the bulk transfers from Friends of Ben Cardin I as a separate reporting entry.

8. The Federal Election Campaign Act of 1971, as

amended ("the Act"), defines political committee to include any committee that receives aggregate contributions in excess of $1,000 in any calendar year or makes aggregate expenditures in excess of $1,000 in any calendar year. 2 U.S.C. § 431(4)(A).

9. The Act further requires that all political committees under the Act must register with the Commission and file periodic reports of receipts and disbursements. 2 U.S.C. §§ 433 and 434.

10. The Act specifically provides that a political committee shall report and itemize transfers from affiliated committees. 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D).

11. Commission regulations provide at 11 C.F.R. § 102.6(a) that transfers may be made without limit between affiliated committees whether or not they are political committees under the Act. The Commission has determined that the authorized federal committee and the authorized state or non-federal committee of the same person are affiliated for such purposes. See, e.g., Advisory Opinions 1987-12, 1985-2, and 1984-3.

12. Commission regulation at 11 C.F.R. § 102.6(a)(2) provides that if a committee making a transfer is not registered as a federal political committee and if it transfers more than $1,000 in any calendar year, it must register and report as a federal political committee.

V. 1. Friends of Ben Cardin I and Mark D. Dopkin, as treasurer, failed to register and report as a political committee under the Act in violation of 2 U.S.C. §§ 433 and 434.

2. Ben Cardin for Congress and Mark D. Dopkin, as treasurer, failed to report and itemize bulk transfers from Friends of Ben Cardin I in violation of 2 U.S.C. § 434(b)(2)(F) and 434(b)(3)(D).

VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Two Hundred Fifty dollars ($ 250.00), pursuant to 2 U.S.C. § 437g(a)(5)(A).

2. Respondent Friends of Ben Cardin I will file a Statement of Organization and a 1986 July Quarterly Report reporting the transfers to Ben Cardin for Congress and itemizing the contributions making up the transfers, which report may also serve as the termination report for the committee. Respondent Ben Cardin for Congress will amend its 1986 July Quarterly Report to report the bulk transfers from Friends of Ben Cardin I.

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 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 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: _____ Date 2/5/90
Lois G. Lerner
Associate General Counsel

FOR THE RESPONDENTS:

_____
Mark D. Dopkin, Treasurer
(Name)
(Position)

Date December 21, 1989

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2920

DATE FILMED 2/16/90 CAMERA NO. 3

CAMERAMAN AS

90031615 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 2920.

00040703793

OGC 5442

CLOSED

LAW OFFICES
KAPLAN, HEYMAN, GREENBERG, ENGELMAN & BELGRAD, P.A.
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20 SOUTH CHARLES STREET
BALTIMORE, MARYLAND 21201
(301) 539-6967
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(301) 752-0685

CHARLES B. HEYMAN
MANNES F. GREENBERG
WILLIAM H. ENGELMAN
HERBERT J. BELGRAD
EDWARD F. SHEA, JR.
THEODORE S. MILLER
ABRAHAM L. ADLER
MARK D. DOPKIN
STANLEY S. FINE
SEARLE E. MITNICK
KENNETH P. NIMAN
JOHN PHILIP MILLER
LOWELL G. HERMAN
HARRIET E. COOPERMAN
RANDALL M. LUTZ
BARRY L. STEELMAN
WILLIAM D. SHAUGHNESSY, JR.
DANIEL S. KATZ
MICHAEL D. BERMAN

SOLOMON KAPLAN
1918-1988

THOMAS D. WOLFE
STEVEN R. FREEMAN
BARRY WEISKOPF
GARY L. ALEXANDER
BARBARA J. ENGLISH
NICHOLAS D. COWIE
JERAL A. MILTON
AMY J. SEIFERT
ELISA J. SILVERMAN

February 14, 1990

90 FEB 16 AM 10: 21
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Jeffrey D. Long, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 2920

Dear Jeff:

I am writing in response to the letter of February 6, 1990 from Lois G. Lerner. In it, she advises that we have an opportunity to submit additional materials to be made part of the public record in this matter. We do not intend to submit any additional materials. However, we would like my letter to Chairman McDonald and you, dated September 22, 1989, to be part of the public record. If it is not already part of such record, please see that it is included.

Let me take this opportunity to personally thank you for your efforts in bringing this matter to an amicable resolution.

Cordially,

Mark D. Dopkin

MDD:jw

cc: The Honorable Benjamin L. Cardin
Robert A. Rombro, Esq.

90 FEB 16 AM 9: 35
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FEDERAL ELECTION COMMISSION
MAIL ROOM

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 2920.

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OGC 5634

ROSS Z. PIERPONT, M.D.
5602 ENDERLY ROAD
BALTIMORE, MARYLAND 21212

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 MAR -8 AM 11:09

CLOSED

February 26, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 MAR -8 AM 11:43

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

Re: M.U.R. 2920

Dear Mr. Noble:

I have received your report and decision on the matter of Congressman Ben Cardin and Mark D. Dopkin. Please accept this as a critique, discussion and commentary on your Conciliation Agreement.

1. The Conciliation Agreement was signed by Mark D. Dopkin, Treasurer, on approximately December 21, 1989 and by Assoc. Gen. Counsel, Lois G. Lerner, February 5, 1990. It was received by me on February 10, 1990. Is there a reason for the disparity in the signings of Mr. Dopkin and Ms. Lerner? You do understand that while you conducted this lengthy process, I was kept completely out of the process and by your own F.E.C. rules obliged to not even mention the problem. Why?

2. After reading your five page report, it was quite evident that every benefit of any possible doubt was given to Cardin and Dopkin even to the management of "Friends of Ben Cardin I" committee as almost an entity foreign to Cardin. As one who has been a federal candidate on several occasions, I have always considered any campaign committee where I appointed the treasurer as being my complete responsibility. Isn't this the actual case? Or, can we beg off of responsibility for our committees where we appoint and take responsibility for the treasurer?

3. Thank you for finding Congressman Benjamin Cardin and Mark D. Dopkin and "?? Friends of Ben Cardin I" guilty as charged.

As a comment and question - Wasn't it apparent to you that these two gentlemen were not novices or babes in the woods? Cardin was a nineteen year veteran legislator in the House of Delegates of Maryland and Speaker of the House for the last seven years of his career prior to his filing for U.S. Congress in 1986. Further, Cardin is an attorney and member of the Maryland Bar and was a drafter of legislation to monitor the very thing he has been found guilty of violating. As a matter of ironical fact, Cardin wrote and managed passage on the final night of the legislation in 1986, House Bill 466 (copy enclosed) which delineated the very conduct he violated here in Maryland in his effort to evade all responsibility for our Savings and Loan debacle. Legal support for Cardin's denial of any responsibility for his "Friends of

*The Cardin contribution was substitution of the language of Senator Bainums' bill which called for details of dealings of legislators over 2-3 years. Cardins substitution limiting disclosure from March 14 to May 14, 1985 still caught Friends of Ben Cardin I with withdrawal of $25,000.00 of 5/10/85. (See pp. 1157-1160 HB. 466).

Ben Cardin I" committee flies in the face of legal and moral fact.

In addition, Mark Dopkin is an attorney and member of the Maryland Bar. Dopkin is also a member of a prestigious law firm, some of whose members are very knowledgeable politically.

The point being made here is that you must have known you were dealing with politically aware people who knew and, in fact, had even helped enact laws governing such behavior who had transferred $127,627.05 in a clandestine and to all appearances illegal manner. The fine of $250.00 assessed against these hardened political operators defies reasonable explanation.

By way of comparison in the recent election campaign of 1988, I was the Republican nominee against Cardin. The treasurer of my campaign, a respected senior citizen in retirement from business, had difficulty with early Alzheimer's disease. He realized he had a problem when he had an error and could not produce a balanced record on time and reported this problem to the F.E.C. and was late for one period. His error was a few dollars. He was fined $500.00.

My question to you is this: - How do you equate any equity or fundamental fairness in your $250.00 fine of Cardin et al against the $500.00 fine for a few dollars with an adequate excuse??

But, none of this gets to the heart of the matter. The real problem with your powder puff treatment of such an obvious violation allows an individual with a trail of devious behavior to continue to prey upon an unsuspecting public. This fine of $250.00 sends no message. It is nearly a brush off.

Further, this failure to register a proper fine under the circumstances allows Ben Cardin, who has in the past used similar tactics to worm his way along in the House of Delegates of Maryland, to continue to do the same in the Congress of the United States. He was Speaker of the House of Delegates during the entire time of the development of our Savings and Loan debacle in this state. He appointed his cousin, Jerome Cardin, who wrote the legislation which led to the Savings and Loan collapse. Jerome Cardin, Ben Cardin's cousin, has just been released from prison for emphysema and ill health. He did not serve out his term. He was incarcerated and fined millions of dollars after being found guilty in a lengthy trial of stealing some $385,000.00 from the Old Court Savings and Loan. This is the same Old Court Savings and Loan which Ben Cardin's campaign committee - Friends of Ben Cardin I - removed $25,000.00 the day it closed on May 10, 1985. Only my tough investigation and the forcing of the Maryland State Special Prosecutor, Stephen Montanarelli, to open the bank records produced this grudging revelation. After all that, Montanarelli would not verify anything more than that Friends of Ben Cardin I had removed a five figure amount. I had to reconcile this with the obscured accounts which you found and deduce the facts. There still exists some question

whether this money was removed after the bank closed.

For these reasons and so many more, it is essential that once an individual like Ben Cardin is caught, it is important to get the message out. This man cannot be trusted. A $250.00 fine buried in a quiet memo does not do it.

Let us carry our problem up to the present. An elected Ben Cardin worked on his ascent on going to Congress. He was a mirror image of Jim Wright with his votes and his actions until Wright finally hit the rocks. Then he latched onto Speaker Foley. His votes were slavishly for Foley. The best example was his final vote for Catastrophic Health Insurance which must have given him his Ways & Means appointment since he was one of the very few Congressmen who stuck with Foley on this issue.

For the sake of this nation and for your record, I detailed Cardin's entire history to Speaker Foley well prior to the Ways and Means appointment. Obviously, Speaker Foley has little respect for past history of integrity as he organizes Congress.

I am filing this critique, discussion and commentary with you in a timely manner. This is being submitted as a person who is truly concerned with the downward moral and legal drift of our controlling governmental and political operatives in this United States.

It is disturbing to spend the time, effort and money necessary to identify a guilty culprit and to get him to a guilty decision (and we all know in our present protective system this is very difficult) and then have him turned loose virtually without a blemish to go and practice his chicanery again.

In consideration of the foregoing material, I would ask that the Federal Election Commission consider this as a formal response and appeal to your February 5, 1990 decision. The proper thirty day interval has been satisfied. Would the F.E.C. please consider further investigation for a determination of sufficiency of exploration of evidentiary material, e.g. were all of these monies collected legally for a federal election? Shouldn't there be a more equitable levy of a proper fine or punishment? Should this case have a special prosecutor or a congressional investigation?

I await your early reply.

Sincerely,

Ross Z. Pierpont, M.D.

RZP/pdk

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 2920.

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CLOSED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 14, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ross Z. Pierpont, M.D.
5602 Enderly Road
Baltimore, Maryland 21212

RE: MUR 2920

Dear Dr. Pierpont:

This is in reference to your letter dated February 26, 1990, which was received by the Federal Election Commission on March 8, 1990. In that letter you asked for an appeal of the Commission's February 5, 1990 decision.

A request for judicial review must be made by you through petition to the United States District Court for the District of Columbia. The Commission is not involved in this procedure; therefore, we can offer you no advice in filing such a petition. Please contact the court or your legal advisor for any such assistance. This petition must be filed within 60 days after the date the Commision closes the file. See 2 U.S.C. § 437g(a)(8).

If you have any questions please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376 5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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