



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

THIS IS THE BEGINNING OF MUR # 3187

DATE FILMED 11/20/71 CAMERA NO. 2

CAMERAMAN AS

91040880078

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 27 September 1990

ANALYST: Robyn Jameson

I. COMMITTEE: District 1199 PAC of the National
Union of Hospital & Health Care
Employees, RWDSU, AFL-CIO (C00022400)
Phyllis Harris, Treasurer
(9/14/90 to Present)
Telbert King, Treasurer
(3/4/83-9/13/90)
310 West 43rd Street
New York, NY 10036

II. RELEVANT STATUTE: 2 U.S.C. §441b(a)
11 CFR §114.2(b)

III. BACKGROUND:

Receipt of Funds from the Connected Organization

The District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO ("the Committee") received \$16,000 from its connected organization, the Local 1199 General Fund ("the Fund").

Schedule A supporting Line 11(a)(i) on the Detailed Summary Page of the Committee's 1990 April Quarterly Report disclosed the receipt of \$16,000 from the Fund on January 18, 1990 (Attachment 2).

On July 11, 1990, the Reports Analysis Division ("RAD") analyst sent a Request for Additional Information ("RFAI") to the Committee. The RFAI informed the Committee that certain entities may serve as collecting agents and that funds received from a collecting agent should be attributed to the original contributor. The RFAI advised refunding any funds that were not received from individuals. The RFAI also advised the Committee that the Commission may initiate audit or legal enforcement action (Attachment 3).

31040880079

DISTRICT 1199 PAGE TWO THE NATIONAL
UNION OF HOSPITAL & HEALTH CARE
EMPLOYEES, RWDSU, AFL-CIO
REPORTS ANALYSIS OGC REFERRAL
PAGE 2

No response was received and on August 2, 1990 a Second Notice was sent to the Committee (Attachment 4).

On September 14, 1990 the RAD analyst called the Committee. The analyst was told Mr. Telbert King was no longer with the Committee and that Ms. Phyllis Harris was now the Treasurer. Ms. Harris was on vacation and her secretary was out for the day. The receptionist said he would let the president of the union know of the problem (Attachment 5).

That same day, the RAD analyst received a call from Norra, from the union president's office. She was told that a response to the RFAI had not been received and the permissibility of the \$16,000 needed to be addressed. The RAD analyst explained that if the funds were from the union treasury they should be refunded (Attachment 6).

The RAD analyst was then contacted by Sal Colaluca of the Committee. The RAD analyst again explained the steps that should be taken by the Committee and Mr. Colaluca stated he would contact the accountant (Attachment 7).

On September 17, 1990 Harriet Klapper phoned from the Committee. She stated that the \$16,000 was from the union. She was told that the monies should be refunded immediately and a copy of the transaction should be sent to the Commission (Attachment 8).

To date, no response has been received.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

21040880080

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	LOCATION TYPE OF FILE
DISTRICT 1199 PAC OF THE NATIONAL UNION OF HOSPITAL & HEALTH CARE, FINELY, AFL-CIO CONNECTED ORGANIZATION: RETAIL WHOLESALE DEPT STORE UNION				IS 000002400	NON-FIN. QUALIFIED	
	1989 APRIL QUARTERLY	35,674	8,469	10AN99 - 01MARR99	8	99FED 590 1410
	APRIL QUARTERLY - AMENDMENT	35,674	10,469	10AN99 - 01MARR99	7	99FED 590 1000
	MID-YEAR REPORT	34,965	54,447	1APR99 - 01JUN99	9	99FED 640 1410
	MID-YEAR REPORT - AMENDMENT	34,965	54,447	1APR99 - 01JUN99	9	99FED 640 1500
	MID-YEAR REPORT - AMENDMENT	34,965	54,447	1APR99 - 01JUN99	9	99FED 640 1600
	YEAR-END	65,840	99,910	10UL99 - 01DEC99	7	99FED 600 1000
	1 ST LETTER INFORMATIONAL NOTICE			10UL99 - 01DEC99	1	99FED 600 1100
	1990 APRIL QUARTERLY	50,840	55,300	10AN90 - 01MARR90	11	99FED 640 1410
	NOTICE OF FAILURE TO FILE			10AN90 - 01MARR90	1	99FED 670 1900
	REQUEST FOR ADDITIONAL INFORMATION			10AN90 - 01MARR90	3	99FED 640 1000
	REQUEST FOR ADDITIONAL INFORMATION DND			10AN90 - 01MARR90	4	99FED 650 1100
	JULY QUARTERLY	47,905	55,060	1APR90 - 01JUN90	9	99FED 640 1410
	TOTAL	302,147	0 275,008		78	TOTAL PAGES

21040880081

All Reports have been Reviewed
Ending Cash-on-hand as of 6/30/90: - \$7,306
Outstanding debts owed to the Committee as of 6/30/90: -0-
Outstanding debts owed By the Committee as of 6/30/90: \$25,419

SCHEDULE A

ITEMIZED RECEIPTS

Use on-line schedules for each category of the Data Int Summary Form

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11 (C) (C)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for any other purpose, other than using the name and address of any political committee to solicit contributions from such committee.

✓ LOCAL 1199 POLITICAL ACTION FUND

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
LOCAL 1199 GENERAL FUND 310 W. 43 STREET NEW YORK, NY 10036	Occupation	11/8/90	16,000.00
Receipt For <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$ 16,000.00		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For <input type="checkbox"/> Other (specify) <input type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For <input type="checkbox"/> Other (specify) <input type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For <input type="checkbox"/> Other (specify) <input type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For <input type="checkbox"/> Other (specify) <input type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For <input type="checkbox"/> Other (specify) <input type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For <input type="checkbox"/> Other (specify) <input type="checkbox"/> Primary <input type="checkbox"/> General	Aggregate Year-to-Date \$		

SUBTOTAL (if Receipts This Page optional)

16,000.00

TOTAL This Period (if page this line number only)

16,000.00



FEDERAL ELECTION COMMISSION

RQ-2

JUL 11 1990

Telbert King, Treasurer
District 1199 PAC of the National
Union of Hospital & Health Care,
RWDSU, AFL-CI
310 West 43rd Street
New York, NY 10036

Identification Number: C00022400

Reference: April Quarterly Report (1/1/90-3/31/90)

Dear Mr. King:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report discloses receipts from organizations that are not registered with the Commission (pertinent portion(s) attached). 2 U.S.C. §441b prohibits the receipt of funds from national banks, corporations, and labor organizations. Under 11 CFR §102.6, however, certain entities may serve as collecting agents for the purpose of transmitting contributions to a separate segregated fund.

A collecting agent may be, but is not limited to, a committee which is affiliated with the separate segregated fund; the connected organization; or a local, national, or international union. See 11 CFR §102.6(b)(1).

Funds received from a collecting agent are to be attributed to the original contributors and should be disclosed according to the requirements of 11 CFR §104.3(a). If the amounts in question were contributed by individuals and transmitted to your committee by a collecting agent, the activity should be included on line 11(a) of the Detailed Summary Page. Any contribution from an individual, that exceeds \$200 in the aggregate during the calendar year, should be itemized on a supporting schedule. Collecting agents need not be identified on your report.

To the extent that the funds received were not from entities serving as collecting agents, the Commission recommends that you refund all non-voluntary contributions to the donor(s) in accordance with 11 CFR §103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In the best interests of the committee, all refunds and transfers-out should be made within thirty (30) days of the treasurer's receipt of the contribution. See 11 CFR §103.3(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Robyn Jimerson
Reports Analyst
Reports Analysis Division

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

RQ-3

August 2, 1990

Telbert King, Treasurer
District 1199 PAC of the National
Union of Hospital & Health Care,
RWDSU, AFL-CI
310 West 43rd Street
New York, NY 10036

Identification Number: C000224u0

Reference: Q3 Quarterly Report (1/1/90-3/31/90)

Dear Mr. King:

This letter is to inform you that as of August 1, 1990, the Commission has not received your response to our request for additional information, dated July 11, 1990. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Robyn Jameson on our toll-free number (800) 424-9500 or our local number (202) 276-7400.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

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07755:1111

ANALYST: Jimeson

CONVERSATION WITH:

COMMITTEE: District 1199 PAC of the National Union of Hospital & Health
Care, RWDSU, AFL-CIO (C00022400)

DATE: September 14, 1990

SUBJECT(S): Receipt of Union Funds

When I called the Committee I was told Mr. Telbert King was no longer treasurer, that the position was now held by Ms. Phyliss Harris. I was told she was on vacation, and her secretary would not be in until Monday.

I explained that an RFAI had been sent to the Committee and no response had been received.

I was told the message would be sent to the union president.

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ANALYST: Jimeson

CONVERSATION WITH: Norra, from the union president's office

COMMITTEE: District 1199 PAC of the National Union of Hospital & Health
Care, RWDSU, AFL-CIO (C00022400)

DATE: September 14, 1990

SUBJECT(S): Receipt of Union Funds

I was called by Norra from the union president's office. I explained to her that the 1990 April Quarterly Report had disclosed \$16,000 from Local 1199 General Fund. I told her that the union could not give money to its separate segregated fund, but if they were acting as a collecting agent the original contributors should be disclosed on Schedule A.

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ANALYST: Jimeson

CONVERSATION WITH: Sal Colaluca

COMMITTEE: District 1199 PAC of the National Union of Hospital & Health
Care, RWDSU, AFL-CIO (C00022400)

DATE September 14, 1990

SUBJECT(S): Receipt of Union Funds

Mr. Sal Colaluca phoned to see if there was anything he could do to correct the problem. I again explained the steps the Committee should take and he said he would have to talk to the accountant.

I also told him an amended Statement of Organization should be filed to show Ms. Harris as the new treasurer.

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ANALYST: Jameson

CONVERSATION WITH: Harriet Klapper

COMMITTEE: District 1199 PAC of the National Union of Hospital & Health
Care, RWDSU, AFL-CIO (C00022400)

DATE: September 17, 1990

SUBJECT(S): Receipt of Union Funds

Ms. Harriet Klapper phoned from the Committee. She stated the money was not from individuals but had come from the union and should have been disclosed as a loan.

I told her the money should be refunded and a copy of the transaction sent to the Commission immediately.

I told her an amended Statement of Organization should be filed as well.

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90 NOV 26 AM 9:09

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

RAD Referral: 90L-45
STAFF MEMBER: Noriega E. James

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

RESPONDENTS: District 1199 PAC of the National
Union of Hospital and Health Care Employees,
RWDSU, AFL-CIO and Phyllis Harris, as treasurer¹
District 1199 of the National Union
of Hospital and Health Care, RWDSU,
AFL-CIO

RELEVANT STATUTES: 2 U.S.C. § 441b(a)
11 C.F.R. § 114.2(b)

INTERNAL REPORTS CHECKED: Referral Materials

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was referred to the Office of the General
Counsel from the Reports Analysis Division ("RAD") in accordance
with the RAD Review and Referral Procedures for Unauthorized
Committees.

II. FACTUAL AND LEGAL ANALYSIS

The 1990 April Quarterly Report filed by the District 1199
PAC of the National Union of Hospital and Health Care Employees,
RWDSU, AFL-CIO (the "Committee") discloses that the Committee
accepted a \$16,000 contribution from the District 1199 of the

1. At the time of the violation, Telbert King was the
Committee's treasurer.

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National Union of Hospital and Health Care, RWDSU, AFL-CIO² ("Union"), a labor organization. The \$16,000 was reported as being made on January 18, 1990.

On July 11, 1990, RAD sent the Committee a Request for Additional Information ("RFAI") concerning the receipt of the \$16,000 contribution. On September 17, 1990, a representative for the Union stated in a telephone conversation with a RAD analyst that the \$16,000 receipt was a contribution from the union.

According to 2 U.S.C. § 441b(a) it is unlawful for any corporation or labor organization to make a contribution or expenditure in connection with any federal election or for any political committee to knowingly accept such contribution. And, 2 U.S.C. § 441b(b) defines contribution or expenditure to include any direct or indirect payment, loan, advance, or any services, or anything of value.

Therefore, the Office of the General Counsel recommends that the Commission find reason to believe the District 1199 PAC of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer, and the District 1199 of the National Union of Hospital and Health Care, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a)³.

2. The contribution was reported as coming from the Local 1199 General Fund which this Office determined is the Committee's abbreviation for the union which is named "District 1199 of the National Union of Hospital and Health Care, RWDSU, AFL-CIO."

3. The Committee and the Union were respondents in MUR 1733. They were notified that, on June 29, 1984, the Commission found reason to believe, inter alia, that they violated 2 U.S.C. § 441b(a) on the basis that the Committee's report disclosed a

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III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that District 1199 PAC of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer, violated 2 U.S.C. § 441b(a).
3. Find reason to believe that District 1199 of the National Union of Hospital and Health Care, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a).
4. Approve the appropriate letters and Factual and Legal Analyses.

Lawrence M. Noble
General Counsel

11/21/80
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments:

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

(Footnote 3 continued from previous page)
 contribution from the Union. However, after conducting an audit of the Committee, the Commission found no probable cause to believe the Respondents violated 2 U.S.C. § 441b(a) because the Union contribution had never actually been deposited into the Committee's account. Nevertheless, the Committee and the Union were specifically notified that it is unlawful for a labor organization to make a contribution to a political committee and for the political committee to knowingly accept such contribution. Therefore, after an investigation of the matter that is being presented here, this Office may recommend that the Commission find probable cause to believe the Respondents knowingly and willfully violated 2 U.S.C. § 441b(a).

21040880093

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

District 1199 PAC of the National
Union of Hospital and Health
Care Employees, RWDSU, AFL-CIO
and Phyllis Harris, as treasurer;.)
District 1199 of the National Union)
of Hospital and Health Care, RWDSU,)
AFL-CIO.)

RAD Referral 90L-45

(MUR 3189)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 28, 1990, the Commission decided by a vote of 6-0 to take the following actions in RAD Referral 90L-45:

1. Open a MUR.
2. Find reason to believe that District 1199 PAC of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer, violated 2 U.S.C. § 441b(a).
3. Find reason to believe that District 1199 of the National Union of Hospital and Health Care, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a).

(continued)

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4. Approve the appropriate letters and Factual and Legal Analyses, as recommended in the General Counsel's Report dated November 21, 1990.

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

Attest:

11-28-90

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Monday, Nov. 26, 1990 9:09 a.m.
Circulated to the Commission: Monday, Nov. 26, 1990 11:00 a.m.
Deadline for vote: Wednesday, Nov. 28, 1990 11:00 a.m.

dh

21040880095



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

December 5, 1990

Dennis Rivera, President
District 1199 of the National Union
of Hospital & Health Care Employees, RWDSU, AFL-CIO
310 West 43rd Street
New York, NY 10036

RE: MUR 3189
District 1199 of the
National Union of Hospital &
Health Care Employees,
RWDSU, AFL-CIO

Dear Mr. Rivera:

On November 28, 1990, the Federal Election Commission found that there is reason to believe District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO. 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 District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO, 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

21040880096

Dennis Rivera
Page 2

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.

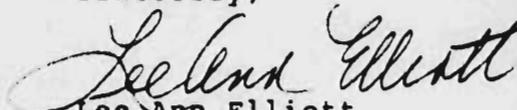
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 Noriega E. James, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,


Lee Ann Elliott
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

21040880097

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3189

RESPONDENTS: District 1199 of the National
Union of Hospital and Health Care
Employees, RWDSU, AFL-CIO

The 1990 April Quarterly Report filed by the District 1199 PAC of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO (the "Committee") discloses that the Committee accepted a \$16,000 contribution from the District 1199 of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO¹ ("Union"), a labor organization. The \$16,000 was reported as being made on January 18, 1990.

On July 11, 1990, the Reports Analysis Division sent the Committee a Request for Additional Information concerning the receipt of the \$16,000 contribution. On September 17, 1990, a representative for the Union stated in a telephone conversation with a RAD analyst that the \$16,000 receipt was a contribution from the union.

According to 2 U.S.C. § 441b(a) it is unlawful for any corporation or labor organization to make a contribution or expenditure in connection with any federal election or for any political committee to knowingly accept such contribution. And, 2 U.S.C. § 441b(b) defines contribution or expenditure to include:

1. The contribution was reported as coming from the Local 1199 General Fund which this Office determined is the Committee's abbreviation for the union which is named "District 1199 of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO."

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any direct or indirect payment, loan, advance, or any services, or anything of value.

Therefore, there is reason to believe the District 1199 of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a).

21040880099



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

December 5, 1990

Phyllis Harris, Treasurer
District 1199 PAC of the National Union
of Hospital & Health Care Employees, RWDSU, AFL-CIO
310 West 43rd Street
New York, NY 10036

RE: MUR 3189
District 1199 PAC of the
National Union of Hospital &
Health Care Employees,
RWDSU, AFL-CIO and
Phyllis Harris, as treasurer

Dear Ms. Harris:

On November 28, 1990, the Federal Election Commission found that there is reason to believe District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO ("Committee") and you, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

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

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that

21040880100

Phyllis Harris, Treasurer
Page 2

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.

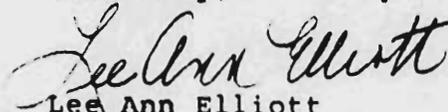
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 Noriega E. James, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,


Lee Ann Elliott
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

31040680101

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

MUR: 3189

RESPONDENTS: District 1199 PAC of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO, and Phyllis Harris, as treasurer

The 1990 April Quarterly Report filed by the District 1199 PAC of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO (the "Committee") discloses that the Committee accepted a \$16,000 contribution from the District 1199 of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO¹ ("Union"), a labor organization. The \$16,000 was reported as being made on January 18, 1990.

On July 11, 1990, the Reports Analysis Division sent the Committee a Request for Additional Information concerning the receipt of the \$16,000 contribution. On September 17, 1990, a representative for the Union stated in a telephone conversation with a RAD analyst that the \$16,000 receipt was a contribution from the union.

According to 2 U.S.C. § 441b(a) it is unlawful for any corporation or labor organization to make a contribution or expenditure in connection with any federal election or for any political committee to knowingly accept such contribution. And,

1. The contribution was reported as coming from the Local 1199 General Fund which this Office determined is the Committee's abbreviation for the union which is named "District 1199 of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO."

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2 U.S.C. § 441b(b) defines contribution or expenditure to include any direct or indirect payment, loan, advance, or any services, or anything of value.

Therefore, there is reason to believe the District 1199 PA: of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer violated 2 U.S.C. § 441b(a).

21040880103

9134

FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH

MEYER, SUOZZI, ENGLISH & KEELIN, P.C.

COUNSELORS AT LAW
1505 KELLUM PLACE
MINEOLA, N. Y. 11501
516-741-6565
212-227-5511
FACSIMILE: 516-741-6706

SUFFOLK COUNTY OFFICE
ONE HUNTINGTON QUADRANGLE
MELVILLE, N. Y. 11747
516-293-1300
212-949-9090

18 December 1990

BERNARD S. MEYER
JOSEPH A. SUOZZI
JOHN F. ENGLISH (1960-1967)
BASIL A. PATERSON
JEFFREY G. STARK
JOHN V. N. KLEIN
HAROLD ICKES
M. KATHRYN MENG
ROBERT M. ARCHER
BRIAN MICHAEL SELTZER
ROBERT N. ZAUSMER
RICHARD G. FROMEWICK
LOIS CARTER SCHLISSEL
DANIEL C. MOONEY
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BARRY J. PEEK
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NATHANIEL L. CORWIN

COUNSEL
STEPHEN P. SCARINGO
ARTHUR E. TARLOW
JAMES P. MELTON
A. THOMAS LEVIN
JULES B. LEVINE
ANNE J. DEL CASINO
ANTHONY S. BARTON
MICHAEL N. KLAR
ERIC LANE

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

Re: Local 1199 Drug, Hospital And Health Care
Employees Union, RWDSU AFL-CIO
MUR ~~9989~~ 3187
Our file 7450-3

90 DEC 27 PM 1:30

RECEIVED
FEDERAL ELECTION COMMISSION
COUNSEL

Dear Mr. James:

Our firms represents Local 1199 Drug, Hospital And Health Care Employees Union, RWDSU, AFL-CIO ("Local 1199"). This confirms our telephone conversation last week about the December 1990 letter to Dennis Rivera from FEC Chair Lee Ann Elliott concerning the above referenced matter.

It appears that Local 1199 may well have inadvertently made a loan to its federal political action fund which is registered with the FEC as C00022400. Local 1199 is, therefore, interested in "pre-probable cause conciliation" and requests that the FEC's Office Of General Counsel recommend to the Commission proposing pre-probable cause conciliation.

I look forward to hearing from you.

Sincerely,

Harold Ickes

Harold Ickes

HI:je
Certified mail, return receipt requested
Copy sent by telefax to 202-376-5280
cc: Dennis Rivera

21040880104

91 MAR -8 PM 4:33

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
District 1199 PAC of the National)	MUR 3189
Union of Hospital & Health Care)	
Employees, RWDSU, AFL-CIO)	
and Phyllis Harris, as treasurer)	
District 1199 of the National Union)	
of Hospital & Health Care)	
Employees, RWDSU, AFL-CIO)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On November 28, 1990, the Commission found reason to believe that the District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO (the "Committee") and Phyllis Harris, as treasurer, violated 2 U.S.C. § 441b(a) by accepting a \$16,000 contribution from its connected organization, District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO, (the "union") a labor organization. Additionally, the Commission found reason to believe the District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a) by making a \$16,000 contribution to the District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO.

By letter dated December 18, 1990, counsel for the Respondents requested that this matter be resolved prior to a finding of probable cause to believe.

21040880105

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

IV. RECOMMENDATIONS

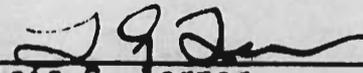
1. Enter into conciliation with District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer, and District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO prior to a finding of probable cause to believe.

2. Approve the attached proposed conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

3/8/91
Date

BY:


Lois G. Lerner
Associate General Counsel

Attachments

- 1. Request for conciliation
- 2. Proposed Conciliation Agreement

Staff assigned: Noriega E. James

21040880106

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
District 1199 PACK of the National)
Union of Hospital & Health Care) MUR 3189
Employees, RWDSU, AFL-CIO and)
Phyllis Harris, as treasurer;)
District 1199 of the National)
Union of Hospital & Health Care)
Employees, RWDSU, AFL-CIO.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 13, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 3189:

1. Enter into conciliation with District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer, and District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO prior to a finding of probable cause to believe.

(continued)

21040880107

2. Approve the proposed conciliation agreement and the appropriate letter, as recommended in the General Counsel's Report dated March 8, 1991.

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

Attest:

3-13-91
Date


Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Fri., March 8, 1991 4:33 p.m.
Circulated to the Commission: Mon., March 11, 1991 11:00 a.m.
Deadline for vote: Wed., March 13, 1991 11:00 a.m.

dr

21040880108



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 21, 1991

Harold Ickes, Esquire
Meyer, Suozzi, English & Klein, P.C.
1505 Kellum Place
Mineola, N.Y. 11501

RE: MUR 3189

Dear Mr. Ickes:

On November 28, 1990, the Federal Election Commission found reason to believe that District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO and Phyllis Harris, as treasurer, and District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO violated 2 U.S.C. § 441b(a). At your request, 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 your clients 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 Noriega E. James, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

21040880109



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

April 16, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Harold Ickes, Esquire
Meyer, Suozzi, English & Klein, P.C.
1505 Kellum Place
Mineola, N.Y. 11501

RE: MUR 3189

Dear Mr. Ickes:

On March 21, 1991, you were notified that, at your request, the Federal Election Commission determined to enter into negotiations directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

Please note that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. The 30 day period for negotiations will soon expire. Unless we receive a response from you within five days, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Noriega E. James, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "Lisa E. Klein".

BY: Lisa E. Klein
Assistant General Counsel

21040880110

RECEIVED
ELECTION COMMISSION
MAIL ROOM
OBC 0830

MEYER, SUOZZI, ENGLISH & KLEIN, P.C. 91 APR 22 AM 10:39

BERNARD S MEYER
JOSEPH A SUOZZI
JOHN F ENGLISH (1960-1987)
BASIL A PATERSON
JEFFREY G STARK
JOHN V N KLEIN
HAROLD ICKES
M KATHRYN MENG
ROBERT M ARCHER
BRIAN MICHAEL SELTZER
ROBERT N ZAUSMER
RICHARD G FROMEWICK
LOIS CARTER SCHLISSEL
DANIEL C MOONEY
ANTHONY V CURTO P.C.
KENNETH L GARTNER
MICHAEL A CIAFFA
BARRY J PEER
BARBARA SHAHEEN
WILLIAM J CUNNINGHAM III

COUNSELORS AT LAW
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516-741-6665
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FACSIMILE: 516-741-6708

SUFFOLK COUNTY OFFICE
ONE HUNTINGTON QUADRANGLE
MELVILLE, N Y 11747
516-293 1300
212-949 6090

JAMES T ROCHFORD
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ARTHUR E TARTOW
JAMES P MELTON
A THOMAS LEVINE
JULIE B LEVINE
ANNE J DEL CASIN
ANTHONY B BARTON
MICHAEL N KLAN
ERIC LANE

18 April 1991

Noriega James, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Local 1199 Drug, Hospital And Health Care
Employees Union -and- Local 1199 Federal
Political Action Fund -and- Phyllis Harris,
as treasurer of the Local 1199 Federal
Political Action Fund
MUR 3189 (1991)
(referred to in the caption of the proposed
conciliation agreement for MUR 3189 as
"District 1199 of the National Union of
Hospital & Health Care Employees, RWDSU,
AFL-CIO", and "District 1199 PAC of the
National Union of Hospital & Health Care
Employees, RWDSU, AFL-CIO")
Our file 7450-3B

Dear Mr. James:

I write on behalf of our clients Local 1199 Drug,
Hospital And Health Care Employees Union ("Local 1199" or
"union"), Local 1199 Federal Political Action Fund (FEC ID
C00022400) and Phyllis Harris, as treasurer of the Local 1199
Federal Political Action Fund, about the proposed conciliation
agreement for MUR 3189 which I received with the letter from
Lawrence M. Nobel, General Counsel of the Federal Election
Commission ("FEC"), dated 21 March 1991. The caption of the
proposed conciliation agreement for MUR 3189 refers to

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91 APR 22 PM 3:29

FEDERAL ELECTION COMMISSION

Noriega James

18 April 1991

"District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO", "Phyllis Harris, as treasurer" and "District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO". As explained below, these names should be changed.

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Background: Local 1199 is a labor organization located in New York City. A number of years ago the union established 2 political action committees. One political action committee, called the Local 1199 Political Action Fund, was established under and is governed by the laws of New York State and is involved only in non federal political activity. (For the purposes of this letter it is hereinafter referred to as the "Local 1199 NYS PAF".) The other political action committee is a separate segregated fund used only in connection with federal political activity. To date, it is also known as the Local 1199 Political Action Fund. (For the purposes of

Horiega James

18 April 1991

this letter it is hereinafter referred to as the "Local 1199 Federal PAF".)

When the Local 1199 Federal PAF was first established during May 1975, it was known as the "District 1199 Political Action Fund", and Local 1199's name at that time was "District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO".

Over the years, the union's name has changed several times. At one time, during the 1970s, Local 1199 was affiliated with the National Union Of Hospital And Health Care Employees, RWDSU, AFL-CIO ("National Union"), which, in turn, was affiliated with the Retail Wholesale And Department Store Workers International Union, AFL-CIO ("RWDSU"). During that period, which lasted until 1983 or 1984, the union was known as District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO.

During 1983/1984, the National Union disaffiliated from the RWDSU and became a separate international union within the AFL-CIO, but District 1199 remained affiliated with the RWDSU and became known as Local 1199 Drug, Hospital And Health Care Employees Union, RWDSU, AFL-CIO.

During 1991, Local 1199 disaffiliated from RWDSU and is now known as Local 1199 Drug, Hospital And Health Care Employees Union.

According to FEC records, on or about 2 May 1975, District 1199 of the National Union of Hospital & Health Care

21040880113

Noriega James

18 April 1991

Employees, RWDSU, AFL-CIO established the District 1199 Political Action Fund by filing a Registration Form And Statement Of Organization with the Comptroller General Of The United States (ID# W P0000 DB-A051275-004 which apparently was subsequently identified by the FEC as C000 34066). Apparently, that name was subsequently changed because, as of 16 April 1991, FEC records show the name as "Local 1199 Political Action Fund" with a new FEC ID# C00022400.

For years, Local 1199 had its union treasury and other bank accounts, including its accounts for the Local 1199 NYS PAF and the Local 1199 Federal PAF, in the Amalgamated Bank Of New York. Until early 1991, when the Local 1199 NYS PAF was closed and terminated, both the federal and non federal political action committees (Local 1199 Federal PAF and Local 1199 NYS PAF) shared the same bank account at the Amalgamated Bank.

During the past decade there have been several changes in Local 1199's officers and treasurers as well as in the treasurers of the Local 1199 NYS PAF and Local 1199 Federal PAF. For several years, prior to June 1986, Doris Turner was the president of the union and Telbert King was the treasurer of both the union and the union's political action committees.

As a result of a prolonged and hotly contested campaign against Doris Turner's regime, which included Telbert King, a new leadership was elected and installed during June 1986, which included Georgianna Johnson, as president of the

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union, and Edward Kay, as the union's treasurer who also became the treasurer of the union's political action committees. The 1986 election, which resulted in the election of Ms. Johnson, et al., had been conducted at the order of the United States Department Of Labor as the result of allegations of illegality on the part of the Turner slate in connection with the election in 1984.

It was not until May 1989, that Dennis Rivera was elected as president of the union, and Phyllis Harris was elected as the union's treasurer at which time she also became treasurer of both the Local 1199 NYS PAF and the Local 1199 Federal PAF (the election was conducted during April 1989 and Mr. Rivera, Ms. Harris and others were installed during May 1989).

MUR 1733 (1986): During late 1986, District 1199 Political Action Fund of the National Union Of Hospital And Health Care Employees, RWDSU, AFL-CIO ("District 1199 PAF"), entered into a conciliation agreement (MUR 1733) with the FEC, in connection with the matter of "District 1199 PAF of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO, Telbert King as treasurer" based on transactions which occurred during the years 1981-1983. The union itself also entered into a separate conciliation agreement at that same time (late 1986) in connection with MUR 1733, based on the same

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Noriega James

18 April 1991

transactions covered by the conciliation agreement entered into by District 1199 PAF.

The conciliation agreement (MUR 1733) for District 1199 PAF and Telbert King, as its treasurer, was signed by Dennis Rivera, who, earlier that year had been elected as an executive vice president of Local 1199, along with Georgianna Johnson, who had been elected as the new president of Local 1199 and who signed the conciliation agreement (MUR 1733) on behalf of the union.

Thus, although Ms. Johnson, on behalf of Local 1199, and Mr. Rivera, on behalf of the District 1199 PAF and Telbert King as treasurer, signed the conciliation agreements in connection with MUR 1733, the transactions on which those 2 conciliation agreements were based occurred well before Ms. Johnson and Mr. Rivera became officers of the union and occurred during a period of time when neither Ms. Johnson nor Mr. Rivera were involved in any way with the management or financial transactions of the union or its political action committees.

MUR 3189: For many years, until early 1991, the Local 1199 Federal PAF and the Local 1199 NYS PAF shared the same bank account in the Amalgamated Bank. Under New York law it is permissible for union treasury monies to be used for non federal political activity.

Noriega James

18 April 1991

During January 1990, as a result of a shortfall in the political action bank account due to expenditures by the Local 1199 NYS PAF, the union made a loan of \$16,000 to the political action bank account for expenditures by the Local 1199 NYS PAF. Due to similar circumstances, another loan in the amount of \$7,000 was made during July by the union to the political action bank account for expenditures by the Local 1199 NYS PAF.

The initial 1990 April 15 quarterly Report Of Receipts And Disbursements filed by the Local 1199 Federal PAF with the FEC, covering the period 1/1/90 - 3/31/90, mistakenly showed the \$16,000 transfer as a "contribution" to the political action bank account. That Report was subsequently amended to show the \$16,000 transfer as a loan by the union to the political action bank account. The 1990 October 15 Report Of Receipts And Disbursements filed with the FEC, covering the period 7/1/90 - 9/30/90, showed the \$7,000 transfer by the union to the political action bank account as a loan.

Virtually all of the contributions/expenditures made out of the political action bank account are non federal. The 2 loans by the union to the political action bank account were arranged by the staff of the union's accounting/finance department were not necessarily aware of the legal distinctions between the Local 1199 NYS PAF and the Local

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Noriega James

18 April 1991

1199 Federal PAF, who were unaware of the implications of the loans for the Local 1199 Federal PAF and who did not realize that loans to be used by the Local 1199 NYC PAF would also involve federal law by virtue of the fact that both political action funds shared the same bank account.

During the summer of 1990, the \$16,000 loan by the union which had been made to cover anticipated non federal expenditures by the Local 1199 NYS PAF, but which had also been reported to the FEC by the reports filed by the Local 1199 Federal PAF, was brought to the attention of the union by the FEC. Both loans were repaid by the political action bank account to the union by 2 separate cheques, each dated 2 October 1990, #568 being in the amount of \$16,000 and #569 being in the amount of \$7,000. Copies of both cheques are attached.

During the period 1/1/90 - 10/31/90, when the 2 loans were made and fully repaid, the political action bank account had \$165,526.12 in new receipts, of which the 2 loans constituted \$23,000. During that same period, there were \$174,865.06 in expenditures from the political action bank account of which only \$5,000 was for federal political activity subject to federal law.

All receipts and all expenditures in connection with the political action bank account were reported on the federal reports filed by the Local 1199 Federal PAF with the FEC as

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Noriega James

18 April 1991

well as on the non federal reports filed by the Local 1199 NYS PAF with the appropriate New York State Boards Of Elections.

In order to preclude the possibility of future confusion between the union's federal and non federal political action committees, on or about 11 October 1990, the union established a new non federal political action fund called the "Local 1199 Martin Luther King Political Action Fund" which has been registered with the New York State Board Of Elections. A copy of my letter to the New York State Board Of Elections, dated 11 October 1990, and the registration form (Committee Designation Of Treasurer And Depository) for the Local 1199 Martin Luther King Political Action Fund is enclosed.

On or about 21 February 1991, the original Local 1199 NYS PAF was permanently closed and a termination report was filed with the New York State Board Of Elections.

The Local 1199 Federal PAF (ID C00022400) continues in existence but, since February 1991, no longer shares its bank account with the union's non federal political action committee.

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Noriega James

18 April 1991

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18 April 1991

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Noriega James

18 April 1991

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Noriega James

18 April 1991

21040880123

Noriega James

18 April 1991

21040880124

Noriega James

18 April 1991

Please call if you have any questions or need additional information.

Sincerely,

Harold Ickes

Harold Ickes

HI:je
copy sent by telefax to 202-376-5280
Certified mail return receipt requested
cc: Dennis Rivera
Phyllis Harris
Basil A. Paterson

21040880125

MEYER, SUOZZI, ENGLISH & KLEIN, P.C.

COUNSELORS AT LAW

1505 KELLUM PLACE

MINEOLA, N. Y. 11501

516-741-8888

212-227-8811

FACSIMILE 516-741-8708

SUFFOLK COUNTY OFFICE

ONE HUNTINGTON QUADRANGLE

MELVILLE, N. Y. 11747

516-293-1300

212-948-8080

BERNARD S. MEYER
JOSEPH A. SUOZZI
JOHN F. ENGLISH (1960-1987)
BASIL A. PATERSON
JEFFREY S. STARK
JOHN V. N. KLEIN
HAROLD ICKES
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LACY CLAUDE JOHNSON
NATHANIEL L. CORWIN

COUNSEL
STEPHEN P. SCARING
ARTHUR E. TARLOW
JAMES P. MELTON
A. THOMAS LEVIN
JULES S. LEVINE
ANNE J. DEL CASINO
ANTHONY S. BARTON

11 October 1990

New York State Board Of Elections
1 Commerce Plaza
P.O. Box 4
Albany, New York 12260

Re: Local 1199 Martin Luther King Political Action
Fund
Committee Designation Of Treasurer And
Depository - 1990
Our file 7450-3

To Whom It May Concern:

Enclosed is the Committee Designation Of Treasurer
And Depository for the Local 1199 Martin Luther King Political
Action Fund.

Sincerely,

Harold Ickes

Harold Ickes

HI:md

Certified Mail, return receipt requested

cc: Phyllis Harris
Sal Colaluca
Harriet Klapper

21040880126

STATE OF NEW YORK
STATE BOARD OF ELECTIONS

COMMITTEE DESIGNATION OF TREASURER AND DEPOSITORY
Section 14-118 of the Election Law
(See instructions on reverse side)

New Registration
Amended Registration
Continued Registration

Election year of campaign
1990

Committee identification
(to be assigned by board)

A. NAME OF COMMITTEE: Local 1199 Martin Luther King Political Action Fund

B. Section Must Be Completed in Full

B. TREASURER: Full Name Phyllis Harris
Res. Address 240 East 18th Street
Brooklyn, NY Zip 11226
Bus. Address Local 1199, 310 West 43rd Street
New York, NY Zip 10036
Res. Tel. No. 718-462-9330 Bus. Tel. No. 212-582-1880

C. DEPOSITORY: Name of Bank Associated Bank Of New York
Address 11-15 Union Square
New York, NY Zip 10003

D. CANDIDATE(S) TO BE SUPPORTED:

OFFICE AND DISTRICT	FIRST NAME AND MIDDLE INITIAL OF CANDIDATE	LAST NAME OF CANDIDATE
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

E. BALLOT ISSUE(S) TO BE SUPPORTED OR OPPOSED:

- _____
- _____

F. PERSON(S) OTHER THAN TREASURER AUTHORIZED TO SIGN CHECKS:

Full Name 1. Dennis Rivera 2. Gerald Hudson
Res. Address 445 West 23rd Street 500 West 122nd Street
New York, NY Zip 10011 NEW YORK, NY Zip 10027
Signature [Signature] [Signature]

The above information is true to the best of my knowledge and belief.

10/10/90
Date

[Signature]
Signature of Treasurer

21040880127

THIS CHECK IS PAYABLE FOR PAYMENT ON THE FOLLOWING ACCOUNTS		LOCAL 1199 POLITICAL ACTION FUND		568
DATE	AMOUNT	310 WEST 43RD STREET NEW YORK, NY 10036		1-337/200
Loan Payment		October 2, 1990		
PAY TO THE ORDER OF		LOCAL 1199	\$	
		\$160	16,000.00**	DOLLARS
		02 003701980		
FOR		CR# 9307		
		#000568# ⑆026003379⑆ 31003282#		#0001600000#

THIS CHECK IS PAYABLE FOR PAYMENT ON THE FOLLOWING ACCOUNTS		LOCAL 1199 POLITICAL ACTION FUND		569
DATE	AMOUNT	310 WEST 43RD STREET NEW YORK, NY 10036		1-337/200
Loan Payment		October 2, 1990		
PAY TO THE ORDER OF		LOCAL 1199	\$	
		\$70	7,000.00***	DOLLARS
		02 003701987		
FOR		CR# 9307		
		#000569# ⑆026003379⑆ 31003282#		#0000700000#



DRUG, HOSPITAL & HEALTH CARE EMPLOYEES UNION

PRESIDENT
Donald Stone

April 19, 1991

SECRETARY-TREASURER
Peggy Hunt

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

EXECUTIVE VICE PRESIDENTS
Katherine Adams
Aida Garcia
Marshall Davis
Gerald Hudson
Bobby Hagley
Eustace Jarratt
Edward Kay
Deborah King

Attn: Public Records Office

Re: District 1199 PAC of the National Union
Of Hospital And Health Care Employees,
RWDSU, AFL-CIO a/k/a Local 1199
Political Action Fund
FEC ID C00022400

VICE PRESIDENTS

Lanette Collier,
OCCUPATIONAL SAFETY & HEALTH
Sybil Green,
and
Robert Byfield
Joseph Chisholm
James Cunningham
James Criswell
Angela Doyle
Paul Friedman
Francis Hambrick
Marilyn Herbert-Davis
Steve Kramer
Communiste Akler
Debra Mayfield
Gerald Rosenburg
John Reid
Mike Rubin
Rene Shapiro
Carlton Yearwood

To Whom It May Concern:

I write as the Treasurer of the "District 1199 PAC of the National Union Of Hospital And Health Care Employees, RWDSU, AFL-CIO" which is also known as "Local 1199 Political Action Fund" (FEC ID C00022400).

The purpose of this letter is to amend the Statement of Organization.

It appears that the federal political action fund ("federal PAF") was established on or about 2 May 1975 as the "District 1199 PAC of the National Union Of Hospital And Health Care Employees, RWDSU, AFL-CIO." It was established by District 1199, National Union Of Hospital And Health Care Employees, RWDSU, AFL-CIO ("District 1199").

According to the current records of the Federal Election Commission ("FEC"), the name of the federal PAF was changed and is now known as "Local 1199 Political Action Fund" (FEC ID# C00022400).

District 1199, the union which established the federal PAF, has undergone several name changes since 1975. It is now known as "Local 1199 Drug, Hospital And Health Care Employees Union."

Effective the date of this letter, the Statement Of Organization is amended as follows:

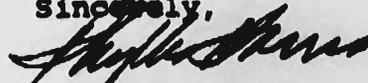
*Dr. King's
American
Dream Is
Alive...
Pass it on!*

21040880130

1. The name of the federal PAF is changed from "Local 1199 Political Action Fund" to "Local 1199 Federal Political Action Fund."

2. The name of the affiliated or connected organization is changed from "District 1199, National Union Of Hospital And Health Care Employees, RWDSU, AFL-CIO" to "Local 1199 Drug, Hospital And Health Care Employees Union."

Sincerely,



Phyllis Harris
Treasurer

PH/js

certified mail return receipt requested

cc: Harold Ickes

21040880131

06-1024

MEYER, SUOZZI, ENGLISH & KLEIN, P.C.

COUNSELORS AT LAW

1505 KELLUM PLACE

MINEOLA, N. Y. 11501

516-741-6568

212-227-5511

FACSIMILE: 516-741-6706

SUFFOLK COUNTY OFFICE

ONE HUNTINGTON QUADRANGLE

MELVILLE, N. Y. 11747

516-293-1300

212-949-9090

BERNARD S. MEYER
JOSEPH A. SUOZZI
JOHN F. ENGLISH (1960-1987)
BASIL A. PATERSON
JEFFREY G. STARK
JOHN V. N. KLEIN
HAROLD ICKES
M. KATHRYN MENG
ROBERT M. ARCHER
BRIAN MICHAEL SELTZER
ROBERT N. ZAUSMER
RICHARD G. FROMEWICK
LOIS CARTER SCHLISSEL
DANIEL C. MOONEY
ANTHONY V. CURTO, P.C.
KENNETH L. GARTNER
MICHAEL A. CIAFFA
BARRY J. PEEK
BARBARA SHAFFEN
WILLIAM J. CUNNINGHAM III

JAMES T. ROCHFORD
PATRICIA GALTERI
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LELAND L. GREENE
CHARLES DEWEY COLE, JR.
LACY CLAUDE JOHNSON
NATHANIEL L. CORWIN

COUNSEL
STEPHEN P. SCARING
ARTHUR E. TARLOW
JAMES P. MELTON
A. THOMAS LEVIN
JULES B. LEVINE
ANNE J. DEL CASINO
ANTHONY B. BARTON
MICHAEL N. KLAR
ERIC LANE

29 April 1991

James E. Noriega, Esq.
Office Of The General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: Local 1199, Drug, Hospital, And Health
Care Employees Union -and-
Local 1199 Federal Political Action Fund
-and- Phyllis Harris As Treasurer Of The
Local 1199 Federal Political Action Fund
MUR 3189 (1991)
Our file 7450-3B

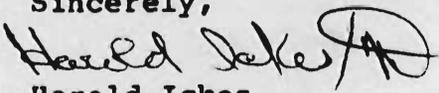
91 MAY -7 AM 11:36

RECEIVED
FEDERAL ELECTION COMMISSION
MAY 7 1991

Dear Mr. Noriega:

This confirms our telephone conversation last week during which you told me that in light of my letter to you, dated 18 April 1991, the above referenced matter will probably be completely reviewed by the Commission to take into account, among other things, the additional \$7,000 loan made by the union to the political action committee during July 1990, and, therefore, I should ignore the certified mail return receipt requested letter, dated 16 April 1991, from Lawrence M. Noble to me, which we received on 25 April 1991.

If my understanding is incorrect, please notify me immediately.

Sincerely,

Harold Ickes

91 MAY -6 PM 3:31

RECEIVED
FEDERAL ELECTION COMMISSION
MAY 6 1991

HI: md
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

copy sent by telefax to 202-376-5280

cc: Dennis Rivera
Phyllis Harris

21040880132

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH

MEYER, SUOZZI, ENGLISH & KLEIN, P.C.

91 JUL -8 AMU: 30

BERNARD S. MEYER
JOSEPH A. SUOZZI
JOHN F. ENGLISH (1960-1987)
BASIL A. PATERSON
JEFFREY G. STARK
JOHN V. N. KLEIN
HAROLD ICKES
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KENNETH L. GARTNER
MICHAEL A. CIAFFA
BARRY J. PEEK
BARBARA SHAHEEN
WILLIAM J. CUNNINGHAM, III

COUNSELORS AT LAW
1505 KELLUM PLACE
MINEOLA, N. Y. 11501
516-741-6565
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FACSIMILE: 516-741-6706

SUFFOLK COUNTY OFFICE
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MELVILLE, N. Y. 11747
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212-949-9090

JAMES T. ROCKFORD
PATRICIA GALTERI
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STEPHEN P. SCARING
ARTHUR E. TANIOW
JAMES P. MELTON
A. THOMAS LEVIN
JULIE B. LEVINE
ANNE J. DEL CASINO
ANTHONY B. BARTON
MICHAEL N. KLAR
ERIC LANE

3 July 1991

Noriega James, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Local 1199 Drug, Hospital And Health Care
Employees Union -and- Local 1199 Federal
Political Action Fund -and- Phyllis Harris,
as treasurer of the Local 1199 Federal
Political Action Fund
MUR 3189 (1991)
(referred to in the caption of the proposed
conciliation agreement for MUR 3189 as
"District 1199 of the National Union of
Hospital & Health Care Employees, RWDSU,
AFL-CIO", and "District 1199 PAC of the
National Union of Hospital & Health Care
Employees, RWDSU, AFL-CIO")
Our file 7450-3B

Dear Mr. James:

This is a clarification of my letter to you, dated 18
April 1991. I have been informed by those currently
responsible for the policies of the Local 1199 New York State
Political Action Fund and the Local 1199 Federal Political
Action Fund prior to on or about 11 October 1990, during which
time both Funds shared the same bank account, and who are
responsible for the policies of the Local 1199 Federal
Political Action Fund since a separate bank account was
established for it on or about 11 October 1990, as more fully
described on page 9 of my 18 April 1991 letter to you, that was
not, and is not, the policy or practice of the Local 1199
Federal PAC to accept contributions

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OFFICE SERVICES BRANCH

Noriega James, Esq.
Page Two

3 July 1991

from union or corporate sources. The several loans made by Local 1199, as a union, to the Local 1199 New York State Political Action Fund during the time it shared the same bank account with the Local 1199 Federal PAC, prior to on or about 11 October 1990, was by inadvertence and did not reflect the policies and general practice of the Local 1199 Federal PAC.

Please call if you need additional information.

Sincerely,

Harold Ickes

Harold Ickes

HI:je

copy sent by telefax to 202-376-5280
certified mail, return receipt requested

cc: Dennis Rivera
Phyllis Harris
Basil A. Paterson

21040880134

91 JUL 11 AM 11:48

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)	
)	MUR 3189
Local 1199 Federal Political Action Fund and Phyllis Harris, as treasurer)	
Local 1199 Drug, Hospital and Health Care Employees Union)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On November 28, 1990, the Commission found reason to believe that the Local 1199 Federal Political Action Fund (the "Committee") and Phyllis Harris, as treasurer, violated 2 U.S.C. § 441b(a) by accepting a \$16,000 contribution from its connected organization, Local 1199 Drug, Hospital and Health Care Employees Union (the "Union") a labor organization.¹ Additionally, the Commission found reason to believe that the Local 1199 Drug, Hospital and Health Care Employees Union violated 2 U.S.C. § 441b(a) by making the \$16,000 contribution to its separate segregated fund.

Mr. Harold Ickes, counsel for the Respondents, requested that this matter be resolved prior to a finding of probable cause to believe, and on March 13, 1991, the Commission granted the request.

1. The First General Counsel's Report identified the Committee as "District 1199 PAC of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO," and the Union as "District 1199 of the National Union of Hospital & Health Care Employees, RWDSU, AFL-CIO." Subsequently, Respondents changed the name of the union and its separate segregated fund and reported this name change to the Commission on April 23, 1991.

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By letter dated April 18, 1991, Mr. Ickes responded to the Commission's proposed conciliation agreement. In the response, Respondents admitted to an additional violation of 2 U.S.C. § 441b(a) which Respondents seek to have resolved as part of this MUR.

II. ANALYSIS

According to counsel for Respondents, a number of years ago, the Union established a state political action committees and a federal political action committee which shared the same bank account. With the exception of the two transactions at issue in this matter, Respondents maintain that only funds permissible under FECA were deposited into the joint account in accordance with 11 C.F.R. § 102.5(a)(1)(ii) and that all receipts and disbursements of that account have been reported to the Commission.³ See Attachment 2. Counsel further notes that "to preclude the possibility of future confusion between the union's federal and non federal political action committees," the federal political action committee "no longer shares its bank account with the union's non federal political action committee." Response at 9.

With respect to the 16,000 loan from the Union to its

2.

3. During the years 1981-83, the union and its political action committee which were then under different leadership, engaged in transactions that were in violation of Section 441b, resulting in a signed conciliation agreement. See MUR 1733.

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separate segregated fund's bank account, Respondents note that it was made "to cover anticipated non federal expenditures" by the state committee. Similarly, they note that "another loan in the amount of \$7,000 was made during July (1990) by the Union to the political action bank account for expenditures by the Local 1199 NYS PAF (state committee)." Id. at pp. 7 and 8. Both loans were repaid to the Union on October 2, 1990.⁴

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

21040880137

4. This Office's review of the Committee's 1990 April Quarterly Report indicates that while the Committee reports receipts of \$34,842 (excluding the \$16,000 loan), and cash on hand at the beginning of the reporting period of \$8,312, it only made a \$5,000 disbursement for federal purposes. It appears that the Committee had on hand adequate permissible funds at the time of the disbursement. The 1990 July Quarterly Report discloses that there were no disbursements made for federal purposes from the time that the \$7,000 loan was made until it was repaid.

IV. RECOMMENDATIONS

Approve the attached revised conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

Date 7/10/91

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Response from Counsel
2. Letter from Counsel
3. Revised Conciliation Agreement

Staff assigned: Noriega E. James

21040880138



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DONNA ROACH *DR*
COMMISSION SECRETARY

DATE: JULY 15, 1991

SUBJECT: MUR 3189 - GENERAL COUNSEL'S REPORT
DATED JULY 10, 1991.

The above-captioned document was circulated to the Commission on THURSDAY, JULY 11, 1991 at 4:00 P.M.

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

Commissioner Aikens	<u>XXX</u>
Commissioner Elliott	<u> </u>
Commissioner Josefiak	<u> </u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Thomas	<u> </u>

This matter will be placed on the meeting agenda for TUESDAY, JULY 23, 1991.

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

21040880139

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3189
Local 1199 Federal Political Action)
Fund and Phyllis Harris, as)
treasurer;)
Local 1199 Drug, Hospital and)
Health Care Employees Union.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on July 23, 1991, do hereby certify that the Commission decided by a vote of 4-1 to approve the revised conciliation agreement and appropriate letter as recommended in the General Counsel's July 10, 1991 report on MUR 3189.

Commissioners Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Aikens dissented; Commissioner Elliott was not present.

Attest:

7-24-91
Date

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

21040880140



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

October 3, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Harold Ickes, Esquire
Meyer, Suozzi, English & Klein, P.C.
1505 Kellum Place
Mineola, N.Y. 11501

RE: MUR 3189

Dear Mr. Ickes:

Enclosed herewith is a proposed conciliation agreement in the above-captioned matter.

If your clients agree with the provisions of the enclosed agreement, please sign and return it to the Office of the General Counsel so that we may present it to the Commission for its consideration. As the 30 day period for preprobable cause conciliation has expired, we ask that you return the signed agreement within five days of receiving this letter.

Upon receipt of this letter, please call Noriega E. James, the staff member assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

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

Enclosure
Conciliation Agreement

21040880141

06C 3214

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

MEYER, SUOZZI, ENGLISH & KLEIN, P.C.

91 OCT 22 AM 11:51

BERNARD S. MEYER
JOSEPH A. SUOZZI
JOHN F. ENGLISH (1960-1987)
BASIL A. PATERSON
JEFFREY G. STARK
JOHN V. N. KLEIN
HAROLD ICKES
M. KATHRYN MENG
ROBERT M. ARCHER
BRIAN MICHAEL SELTZER
ROBERT N. ZAUSMER
RICHARD G. FROMEWICK
LOIS CARTER SCHLISSEL
DANIEL C. MOONEY
KENNETH L. GARTNER
MICHAEL A. CIAFFA
BARRY J. PEEK
WILLIAM J. CUNNINGHAM, III

COUNSELORS AT LAW
1505 KELLUM PLACE
MINEOLA, N. Y. 11501
516-741-6666
212-227-5511
FACSIMILE: 516-741-6706

JAMES T. ROCHFORD
BARBARA J. RUBIN
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LEONARD M. RIDINI
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LACY CLAUDE JOHNSON

COUNSEL
STEPHEN P. SCARING
ARTHUR E. TARLOW
JAMES P. MELTON
A. THOMAS LEVIN
JULES B. LEVINE
ANNE J. DEL CASINO
MICHAEL N. KLAR
ERIC LANE

21 October 1991

Lisa Klein, Esq.
Office Of The General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Local 1199 Federal Political Action Fund
-and- Phyllis Harris, treasurer of the
Local 1199 Drug, Hospital And Health Care
Employees Union
MUR 3189 (1991)
Our file 7450-3B

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 OCT 22 PM 3:35

Dear Ms. Klein:

Enclosed is the Conciliation Agreement in connection with MUR 3189 (1991), which I have signed as counsel to both Local 1199 Federal Political Action Fund and Phyllis Harris, as treasurer of the Local 1199 Drug, Hospital And Health Care Employees Union.

According to our telephone conversation on 17 October 1991, payment of the \$4,000 civil penalty referred to in the Conciliation Agreement may be made from the treasury account of Local 1199 Drug, Hospital And Health Care Employees Union.

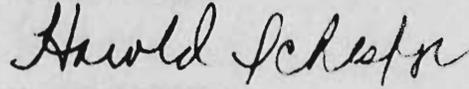
During our 17 October telephone conversation, you informed me that the payment of the \$4,000 civil penalty must be made within 30 days from the date the Federal Election Commission ("FEC") approves the Conciliation Agreement and it is signed by the General Counsel. You informed me that you would notify me in writing of the date the Conciliation Agreement is approved by the FEC and signed by the General Counsel.

21040880142

Lisa Klein
21 October 1991
Page 2

Copies of this letter and the enclosed Conciliation Agreement are being sent to you by telefax on Monday 21 October 1991.

Sincerely,



Harold Ickes

HI:je
encls.
copy sent by telefax to 202-219-3923
Federal Express
cc: Dennis Rivera
Phyllis Harris
1199pac

21040880143

RECEIVED
F.E.C.
SECRETARIAT

OCT 23 PM 4:23

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Local 1199 Federal Political Action)
Fund and Phyllis Harris, as treasurer)
Local 1199 Drug, Hospital and Health)
Care Employees Union)

MUR 3189

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Harold Ickes who is counsel for Local 1199 Federal Political Action Fund and Phyllis Harris, as treasurer, and Local 1199 Drug, Hospital and Health Care Employees Union.

The attached agreement contains no changes from the agreement approved by the Commission on July 23, 1991.

Respondents have not yet paid the civil penalty.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Local 1199 Federal Political Action Fund and Phyllis Harris, as treasurer, and Local 1199 Drug, Hospital and Health Care Employees Union.

2. Close the file.

3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

Date

10-7-91

BY:



Lois G. Lerner
Associate General Counsel

Attachments
Conciliation Agreement

Staff Assigned: Noriega E. James

21040880144

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Local 1199 Federal Political Action)	MUR 3189
Fund and Phyllis Harris, as treasurer;)	
Local 1199 Drug, Hospital and Health)	
Care Employees Union.)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 28, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 3189:

1. Accept the conciliation agreement with Local 1199 Federal Political Action Fund and Phyllis Harris, as treasurer, and Local 1199 Drug, Hospital and Health Care Employees Union, as recommended in the General Counsel's Report dated October 23, 1991.
2. Close the file.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated October 23, 1991.

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

Attest:

10-28-91
Date

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

Received in the Secretariat:	Wed.,	Oct. 23, 1991	4:23 p.m.
Circulated to the Commission:	Thurs.	Oct. 24, 1991	11:00 a.m.
Deadline for vote:	Mon.,	Oct. 28, 1991	11:00 a.m.

dr

21040880145



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

November 6, 1991

CLOSED

Harold Ickes, Esquire
Meyer, Suozzi, English & Klein, P.C.
1505 Kellum Place
Mineola, N.Y. 11501

RE: MUR 3189
Local 1199 Federal Political
Action Fund and
Phyllis Harris, as treasurer

Local 1199 Drug, Hospital
and Health Care Employees
Union

Dear Mr. Ickes:

On October 28, 1991, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

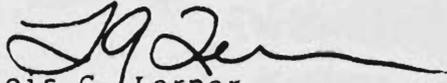
This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Noriega E. James, the staff member assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

91040880146

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Local 1199 Federal Political Action) NUR 3189
Fund and Phyllis Harris, as treasurer)
Local 1199 Drug, Hospital and Health)
Care Employees Union)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Local 1199 Federal Political Action Fund and Phyllis Harris, as treasurer, and Local 1199 Drug, Hospital and Health Care Employees Union ("Respondents") violated 2 U.S.C. § 441b(a).

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. Local 1199 Federal Political Action Fund is a political committee within the meaning of 2 U.S.C. § 431(4).
2. Local 1199 Drug, Hospital and Health Care Employees

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Union is a labor organization which has established Local 1199 Federal Political Action Fund as a separate segregated fund.

3. Phyllis Harris is the treasurer of Local 1199 Federal Political Action Fund.

4. Reports filed by Local 1199 Federal Political Action Fund disclose that in January and July of 1990, the committee accepted loans of \$16,000 and \$7,000, respectively, from Local 1199 Drug, Hospital and Health Care Employees Union.

5. On October 2, 1990, Local 1199 Federal Political Action Fund made refunds of \$16,000 and \$7,000 to Local 1199 Drug, Hospital and Health Care Employees Union.

6. Pursuant to 2 U.S.C. § 441b(a) it is unlawful for any corporation or labor organization to make a contribution or expenditure in connection with any federal election or for any political committee to knowingly accept such contribution. And, 2 U.S.C. § 441b(b) defines contribution or expenditure to include any direct or indirect payment, loan, advance, or any services, or anything of value.

V. Local 1199 Drug, Hospital and Health Care Employees Union made and the Local 1199 Federal Political Action Fund knowingly accepted \$23,000 in contributions in violation of 2 U.S.C. § 441b(a).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of FOUR THOUSAND DOLLARS (\$4,000) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement

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or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

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

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

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

11-5-91
Date

FOR THE RESPONDENTS:

Harold Fikes
(Name) HAROLD FIKES
(Position) COUNSEL

19 October 1991
Date

91040880149



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3189

DATE FILMED 11/20/91 CAMERA NO. 2

CAMERAMAN AS

21040880150



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20461

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3189 .

12/13/91

91040882315

06C 3565

MEYER, SUOZZI, ENGLISH & KLEIN, P

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DAVID A. SMITH
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26 November 1991

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A. THOMAS LEVIN
JULES B. LEVINE
ANNE J. DEL CASINO
MICHAEL N. KLEIN
ERIC LANE

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
91 NOV 29 PM 2:34

Lois Lerner, Esq.
Associate General Counsel
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Local 1199 Federal Political Action Fund
-and- Phyllis Harris, treasurer of the
Local 1199 Drug, Hospital And Health Care
Employees Union
MUR 3189 (1991)
Our file 7450-3B

Dear Ms. Lerner:

On behalf of our clients, Local 1199 Federal Political Action Fund and Phyllis Harris, treasurer of the Local 1199 Drug, Hospital And Health Care Employees Union, enclosed is the cheque of Local 1199 Drug, Hospital & Health Care Employees Union, dated 11/25/91, in the amount of \$4,000 payable to "Federal Election Commission" as required by the conciliation agreement, dated 11/5/91.

Sincerely,

Harold Ickes

Harold Ickes

HI:je
Federal Express
cc: Dennis Rivera
Phyllis Harris

91 NOV 27 AM 10:11

RECEIVED
FEDERAL ELECTION COMMISSION

91040822316



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

Nov. 27, 1991

TWO WAY MEMORANDUM

TO: Fabrae Brunson
OGC, Docket

FROM: Philomena Brooks *PB*
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from local 1199, check number 906679, dated Nov. 25, 1991, and in the amount of \$ 4,000.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

TO: Philomena Brooks
Accounting Technician

FROM: Fabrae Brunson *FAB*
OGC, Docket

In reference to the above check in the amount of \$ 4,000, the MUR number is 3189 and in the name of Local 1199, Drug, Hospital & Health Care. The account into which it should be deposited is indicated below:

- Budget Clearing Account (OGC), 95F3875.16
- Civil Penalties Account, 95-1099.160
- Other: _____

Fabrae Brunson
Signature

12/2/91
Date

91040882317

LOCAL 1199
DRUG, HOSPITAL & HEALTH CARE EMPLOYEES UNION
310 W. 43RD STREET, NEW YORK, NY 10036

THE AMALGAMATED BANK OF NEW YORK
11-15 UNION SQUARE
NEW YORK, N.Y.

906679

1-337/260

DATE
11/25/91

PAY THIS AMOUNT			
*****4,000	DOLLARS	00	CENTS

AMOUNT OF CHECK
*****4,000.00*****

TO
THE
ORDER
OF

FEDERAL ELECTION COMMISSION

Robert J. ...
Ed ...

⑈906679⑈ ⑈026003379⑈ 800071673⑈ 6