FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4223

DATE FILMED 11-7-96 CAMERA NO. 4

CAMERAMAN JMH

9604376423 4

96043764235

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: November 15, 1994

ANALYST: ROBIN KELLY

I. COMMITTEE: John J. Murray for Congress
(C00292037)
Robert N. Masucci, Treasurer
1730 Governors Way
Blue Bell, PA 19422

II. RELEVANT STATUTE: 2 U.S.C. §434(a)(6)
11 CFR §104.5(f)

III. BACKGROUND:

Failure to File Forty-Eight Hour Notifications

The John J. Murray for Congress committee ("the Committee") has failed to file one (1) 48-Hour Notification for a candidate loan totalling $100,000 prior to the 1994 Primary Election.

The candidate was involved in the Primary Election held on May 10, 1994. Prior Notice was sent to the Committee on April 4, 1994 (Attachment 2). The Notice includes a section titled "48 Hour Notices on Contributions". This section reads "Notices are required if the committee receives contributions (including contributions and loans from the candidate's personal funds; and endorsements or guarantees of bank loans) of $1,000 or more, during the period of April 21 through May 7. The notices must reach the appropriate federal and state filing offices within 48 hours of the committee's receipt of the contribution(s)."

Schedules A and C of the Committee's July Quarterly Report indicate that the Committee failed to file one (1) 48-Hour Notice for a candidate loan received during the aforementioned period (Attachment 3). The following is a list of the candidate loans for which no 48-Hour Notices were filed:

Contributor Name	Date	Amount
John J. Murray	4/22/94	$100,000

On August 19, 1994, an Informational Notice ("IN") was sent to the Committee (Attachment 4). The IN notes on an informational basis that the Committee may have failed to file one or more of the required 48-Hour Notices for "last minute" contributions of $1,000 or more. The notice requests the Committee to review their procedures for checking contributions received during the aforementioned time period. In addition, the notice states that although the Commission may take legal steps, any response would be taken into consideration.

On August 29, 1994, the candidate John J. Murray called. He said, that he thought that all the necessary 48-hour notices had been filed. The analyst informed Mr. Murray that for the candidate loan of $100,000 received on April 22, 1994, no notice had been received. Mr. Murray said that he would check on the matter and get back with us (Attachment 5).

The 48-Hour Notice was faxed to the Office of the Clerk of the House on September 25, 1994, and subsequently filed on October 5, 1994, with a cover letter of explanation (Attachment 6). On October 3, 1994, we received a letter from David W. Marston, a representative for the Committee, who had been asked to respond to the FEC letter dated August 19, 1994 (Attachment 7). The first thing he noted is that the 48-hour notice in question was filed on September 25, 1994 (this is the fax referenced above). The Committee states that the $100,000 loan transfer was supposed to have taken place on April 20, 1994, the date of Mr. Murray's instruction. Had the banks involved completed the transaction, as intended, no 48-hour notice would have been required. The transfer took place on April 22, 1994, although the campaign didn't receive the funds until April 25th. It was noted that the campaign reporting system did not allow the campaign workers to trace wire transfers.

Mr. Marston points out factors to be considered: there was never any attempt to evade the reporting requirement, the contribution was not from a third party seeking anonymity and the notice was filed, although late. Mr. Marston goes on to say that Mr. Murray was a first-time candidate, with an inexperienced staff, made up of volunteers. In addition, the candidate does acknowledge that a better mechanism should have been employed by his campaign. It is requested that the Commission note the campaign's overall record of timely compliance.

9604376423 6

FEDERAL ELECTION COMMISSION
1993-1994
CANDIDATE INDEX OF SUPPORTING DOCUMENTS - (E)

DATE 14NOV94

CANDIDATE/COMMITTEE/DOCUMENT	OFFICE SOUGHT/	PARTY	RECEIPTS PRIMARY	RECEIPTS GENERAL	DISBURSEMENTS PRIMARY	DISBURSEMENTS GENERAL	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
								TYPE OF FILER	
MURRAY, JOHN J	HOUSE 13 REPUBLICAN PARTY				PENNSYLVANIA		1994 ELECTION	ID# H4PA13082	
1. STATEMENT OF CANDIDATE									
1994 STATEMENT OF CANDIDATE							29MAR94	2	94HSE/515/5161
2. PRINCIPAL CAMPAIGN COMMITTEE									
JOHN J MURRAY FOR CONGRESS							ID #C00292037 HOUSE		
1994 STATEMENT OF ORGANIZATION							29MAR94	1	94HSE/515/5158
48 HOUR CONTRIBUTION NOTICE							5MAY94	1	94HSE/522/0496
48 HOUR CONTRIBUTION NOTICE							5MAY94	1	94HSE/522/0677
48 HOUR CONTRIBUTION NOTICE							26SEP94	1	94HSE/540/0009
48 HOUR CONTRIBUTION NOTICE							5OCT94	2	94HSE/540/3084
APRIL QUARTERLY			25,826		14,616		22FEB94 -31MAR94	6	94HSE/518/4423
PRE-PRIMARY			207,253		190,952		1APR94 -20APR94	10	94HSE/521/2908
PRE-PRIMARY	- AMENDMENT		-		-		1APR94 -20APR94	2	94HSE/532/4135
REQUEST FOR ADDITIONAL INFORMATION							1APR94 -20APR94	2	94FEC/905/1049
JULY QUARTERLY			149,045		175,606		21APR94 -30JUN94	18	94HSE/528/3461
JULY QUARTERLY	- AMENDMENT		-		-		21APR94 -30JUN94	4	94HSE/540/2859
1ST LETTER INFORMATIONAL NOTICE							21APR94 -30JUN94	2	94FEC/918/1157
OCTOBER QUARTERLY			18,100		17,494		1JUL94 -30SEP94	8	94HSE/549/1509
TOTAL			400,224	0	398,668	0		58	TOTAL PAGES
3. AUTHORIZED COMMITTEES									
4. JOINT FUNDRAISING COMMITTEES AUTHORIZED BY THE CAMPAIGN									

96043764237

All reports, with the exception of the October Quarterly Report, have been reviewed.

Cash on Hand as of 9/30/94:	$ 1,555.80
Debts and Obligations owed to the Committee:	$ 0.00
Debts and Obligations owed by the Committee:	$350,000.00

PRIMARY ELECTION Attachment 2

REPORT NOTICE

FEDERAL ELECTION COMMISSION

PENNSYLVANIA
Congressional Committees

April 4, 1994

FOR COMMITTEES INVOLVED IN THE PRIMARY (05/10)

REPORT	REPORTING PERIOD	REG./CERT. MAILING DATE*	FILING DATE
Pre-Primary	04/01/94 - 04/20/94**	04/25/94	04/28/94
48 Hour Notices	----See Below----		
July Quarterly	04/21/94 - 06/30/94	07/15/94	07/15/94

WHO MUST FILE
Principal campaign committees of congressional candidates (including unopposed candidates) who seek nomination in the primary must file the above reports and notices. If the campaign has an authorized committee(s), in addition to the principal campaign committee, the principal campaign committee must also file a consolidated report on Form 3Z.

48 HOUR NOTICES ON CONTRIBUTIONS
Notices are required if the committee receives contributions (including contributions and loans from the candidate's personal funds; and endorsements or guarantees of bank loans) of $1,000 or more, during the period of April 21 through May 7. The notices must reach the appropriate federal and state filing offices within 48 hours of the committee's receipt of the contribution(s).

LABEL
Affix the peel-off label from the envelope to Line 1 of the report. Corrections should be made on the label.

COMPLIANCE
TREASURERS ARE RESPONSIBLE FOR FILING ALL REPORTS AND 48 HOUR NOTICES ON TIME. FAILURE TO DO SO IS SUBJECT TO ENFORCEMENT ACTION. COMMITTEES USING NON-FEC FORMS FOR REPORTS OR FILING ILLEGIBLE REPORTS OR NOTICES WILL BE REQUIRED TO REFILE.

*Reports sent by registered or certified mail must be postmarked by the mailing date; otherwise, they must be received by the filing date.

**The period begins with the close of the last report filed by the committee. If the committee has filed no previous reports, the period begins with the date of the committee's first activity.

FOR INFORMATION, CALL: 800/424-9530 or 202/219-3420

9604376423 8

SCHEDULE A **ITEMIZED RECEIPTS**

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER: 13(a)

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 commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full): JOHN J. MURRAY FOR CONGRESS

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A. JOHN J. MURRAY (CANDIDATE) 1730 GOVERNORS WAY BLUE BELL, PA 19422 — Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: KMR INDUSTRIES, INC. — Occupation: MGT. CONSULTANT — Aggregate Year-to-Date: $ 300.00	4-22-94	$100.00
B. JOHN J. MURRAY (CANDIDATE) 1730 GOVERNORS WAY BLUE BELL, PA. 19422 — Receipt For: [X] Primary [ ] General [ ] Other (specify)	Name of Employer: KMR INDUSTRIES, INC. — Occupation: MGMT CONSULTANT — Aggregate Year-to-Date: $ 335.00	5-4-94	$35.00
C.	Name of Employer: — Occupation: — Aggregate Year-to-Date: $		
D.	Name of Employer: — Occupation: — Aggregate Year-to-Date: $		
E.	Name of Employer: — Occupation: — Aggregate Year-to-Date: $		
F.	Name of Employer: — Occupation: — Aggregate Year-to-Date: $		
G.	Name of Employer: — Occupation: — Aggregate Year-to-Date: $		

SUBTOTAL of Receipts This Page (optional)	$ 135.00
TOTAL This Period (last page this line number only)	$ 135.00

9604376423 9

SCHEDULE C
(Revised 3/80)

LOANS

Page 1 of 1
LINE NUMBER 13(a) & 13(c)
(Use separate schedule for each numbered line)

Name of Committee (in Full)
JOHN J. HULLAY FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
JOHN J HULLAY (OWN-BANK) 1730 GOODLETTE WAY BLUE BELL, PA 19422 Election: (Primary) General Other (specify)	$335,000 * (FROM	-0- ABOVE FUNDS)	$335,000

Terms: Date Incurred 4-1 thru 5-4-94 Date Due NONE Interest Rate NONE %(apr) Secured NO

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding $
* ADVANCES OF $200,000 4-1-94 100,000 4-20-94 35,000 5-4-94 (FROM ABOVE FUNDS)	
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding $
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding $

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Election: Primary General Other (specify)			

Terms: Date Incurred _____ Date Due _____ Interest Rate _____ %(apr) Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding $
2. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding $
3. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation / Amount Guaranteed Outstanding $

SUBTOTAL This Period This Page (optional) $ 335,000

TOTAL This Period (last page in this line only) $ 335,000

Carry outstanding balance only to Line 3, Schedule D, for this line. If not Schedule D, carry forward to appropriate line of Summary.

96043764240 JFM • 00005 • MO • FO

Attachment 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

AUG 19 1994

Robert N. Musucci, Treasurer
John J. Murray for Congress
1730 Governors Way
Blue Bell, PA 19422

Identification Number: C00292037

Reference: July Quarterly Report (4/21/94-6/30/94)

Dear Mr. Musucci:

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 indicates that your committee may have failed to file one or more of the required 48 hour notices regarding "last minute" contributions received by your committee after the close of books for the 12 Day Pre-Primary report. A principal campaign committee must notify the Commission, in writing, within 48 hours of any contribution of $1,000 or more received be ween two and twenty days before an election. These contributions are then reported on the next report required to be filed by the committee. To ensure that the Commission is notified of last minute contributions of $1,000 or more to your campaign, it is recommended that you review your procedures for checking contributions received during the aforementioned time period. Although the Commission may take legal action, any response you wish to provide concerning this matter will be considered. (11 CFR §104.5(f))

Any amendment or clarification should be filed with the Clerk of the House of Representatives, 1036 Longworth House Office Building, Washington, DC 20515. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Robin Kelly

Robin Kelly
Reports Analyst
Reports Analysis Division

403

9 4 0 3 9 1 8 1 1 5 7

TELECON

Date: August 29, 1994

Name of Committee: John J. Murray for Congress - C00292037

Subject: 48-Hour Contribution Notice

FEC Rep.: Robin Kelly, Analyst

Committee Rep.: John J. Murray, Candidate

The candidate, John J. Murray called to say that he thought all the necessary 48-hour contributions notices had been filed. The analyst informed Mr. Murray that for the candidate loan of $100,000 received on April 22, 1994, no notice had been received. Mr. Murray said that he would check on the matter and get back with us.

9604376422

1994 SEP 26 AM 8 50

OFFICE OF THE CLERK
U.S. HOUSE OF REPRESENTATIVES

FAX

48 HOUR NOTICE OF CONTRIBUTIONS/LOANS RECEIVED

(See Reverse Side for Instructions)

To be used to report all contributions (including loans) of $1000 or more, received within 20 days of the election.

1. JOHN J. MURRAY FOR CONGRESS
1079 DEKALB PIKE
BLUE BELL PA 19422

2. JOHN J. MURRAY
3. US CONGRESS

16x610

C 00292 037

4. FEC IDENTIFICATION NUMBER

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 commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
JOHN J. MURRAY 1730 GOVERNORS WAY BLUE BELL, PA 19422	CANDIDATE / SELF EMPLOYED MGMT CONSULTANT		$100,000.00 LOAN ADVANCE
B. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
C. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount
E. Full Name, Mailing Address and ZIP Code	Occupation		

Post-it® Fax Note 7671

To: CLERK OF THE HOUSE	From: JOHN J. MURRAY
Co./Dept.	Co.
Phone #	Phone #
Fax # (202) 205-7781	Fax #

Date: 1

Signature: John J. Murray

DATE: AS OF 4/26/94

For further information contact: Federal Election Commission, 999 E Street, NW, Washington, DC 20463, Toll Free 800-424-9530, Local 202-219-3420

FEC FORM 6

(11/88)

9000.0FD.10.4

Attachment 6
page 2 of 3

OCT 01 1994

REGULAR MAIL

RECEIVED
OFFICE OF RECORDS AND REGISTRATION
94 OCT -5 AM 11: 10

John J. Murray for Congress

1079 DeKalb Pike · Blue Bell, Pennsylvania 19422 · (610) 273-8884

162610

September 30, 1994

Clerk of the House
Office of Records and Registration
1036 Longworth House Office Building
Washington, DC 20515-6612

Dear Sir/Madam:

Enclosed please find a copy of an FEC Form 6 filed on behalf of John J. Murray for Congress. This notce was previously faxed to your office on September 25, 1994, having been filed nunc pro tunc.

Should you have any questions, please feel free to contact us at (215) 653-0748.

Sincerely,

John J. Murray

John J. Murray

edm

Enclosure

9604376424

Paid for by John J. Murray for Congress

OCT 0 1 1994

REGULAR MAIL

Attachment 6
page 3 of 3

RECEIVED
OFFICE OF ...
OCT -5 AM 11:10

48 HOUR NOTICE OF CONTRIBUTIONS/LOANS RECEIVED

(See Reverse Side for Instructions)

To be used to report all contributions (including loans) of $1000 or more, received within 20 days of the election.

1. NAME OF COMMITTEE IN FULL: JOHN J MURRAY FOR CONGRESS
ADDRESS (number and street): 1079 DEKALB PIKE
CITY, STATE, and ZIP CODE: BLUE BELL PA 19422
2. NAME OF CANDIDATE: JOHN J MURRAY
3. OFFICE SOLIGHT: US CONGRESS

162610

C 00292 037

4. FEC IDENTIFICATION NUMBER

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 commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
JOHN J. MURRAY 1730 GOVERNORS WAY BLUE BELL, PA 19422	CANDIDATE / SELF EMPLOYED MGMT CONSULTANT		$100,000.00 LOAN ADVANCE
B. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
C. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
D. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
E. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount

SIGNATURE (optional): John J. Murray

DATE: As of 4/22/94

For further information contact: Federal Election Commission, 999 E Street, NW, Washington, DC 20463, Toll Free 800-424-9530, Local 202-219-3420

FEC FORM 6
(11/93)

9604374245

HAND DELIVERED

REGULAR MAIL

RECEIVED
FEDERAL ELECTION
COMMISSION
REPORTS ANALYSIS

Reed Smith Shaw & McClay

(215) 851-8190

September 30, 1994

162610

Robin Kelly
Reports Analyst
Reports Analysis Division
Federal Election Commission
Washington, DC 20463

RE: FEC Letter dated August 19, 1994 to Robert N. Masucci, Treasurer, John J. Murray for Congress Committee - I.D. Number: C00292037

Dear Ms. Kelly:

I have been asked to reply to your letter dated August 19, 1994 to Robert N. Masucci, Treasurer of the John J. Murray for Congress Committee (the "FEC Letter"). I have inquired as to the facts relating to the question raised by your preliminary review of the July Quarterly Report filed by the Murray campaign, and believe that the following is responsive to that question.

Prior to setting forth the substantive explanation, however, I would call to your attention the fact that the Murray campaign filed with the Clerk of the House of Representatives, by fax on September 25, 1994, and subsequently by mail, a 48-hour Notice with respect to the contribution referred to in the FEC Letter, which Notice was intended to be effective, [illegible], as of April 22, 1994. A copy of such Notice is enclosed herewith for your information.

The facts with respect to this matter are as follows: on April 20, the twentieth day before the May 10 primary, candidate Murray instructed Kidder Peabody to transfer $100,000 from his personal investment account there to his personal account at Provident National Bank, which amount would be thereafter transferred to the Murray campaign as a loan (the "Murray Loan"). If the banks involved had in fact completed these transactions on the date of Murray's instruction, as he intended, no 48-hour Notice would have been required, and the contribution would have been reported on the next regular FEC report.

REED SMITH SHAW & MCCLAY

Ms. Robin Kelly
September 30, 1994
Page 2

In fact, however, funds for the Murray Loan were not received by Provident National Bank until April 22, and the Murray campaign account did not actually receive the funds until April 25. (Written evidence of the Murray Loan was filed by the campaign with the July Quarterly Report).

In reviewing campaign records during the weekend of April 23-24 to determine whether any 48-hour Notices were required, campaign personnel did not discover any record of the Murray Loan, since it was not in fact received by the campaign until April 25. In addition, the campaign reporting system was essentially set up to allow the campaign staff to trace and report contributions by check or cash, and so there was no mechanism to trigger filing of the Notice once the Murray Loan, a wire transfer, was received by the campaign.

In your review of this matter, I would urge that appropriate weight be given to the following factors:

(i) There was never any attempt to evade or avoid FEC reporting requirements in this campaign, and in fact, if the Murray Loan had been received by the campaign on the date Murray instructed Kidder Peabody to transfer it, no 48-hour Notice would have been required. As evidence of the campaign's commitment to compliance, it should be noted that on May 2, a second 48-hour Notice was timely filed. This notice contained an additional loan advance of $35,000 authorized by Mr. Murray on May 1, as well as a $1,000 contribution to the campaign within the 20-day period. Further, the Murray Loan was voluntarily reported to the FEC in the campaign's July Quarterly Report.

(ii) The contribution involved here was not from a third-party contributor seeking anonymity, which I understand is the primary concern of the FEC rule, but rather from the candidate himself, who never made any secret of his intention to make major contributions and/or loans to his own campaign. Accordingly, the fact of the Murray Loan would not have been a surprise to anyone in this race and no one was significantly disadvantaged by the failure to make a timely filing (although the campaign acknowledges that it should have had mechanisms in place to ensure that such filing was made on a timely basis).

(iii) The Notice was in fact filed on September 25, 1994, and while it is recognized that a late-filed notice is never effective as a substitute for timely compliance, we would emphasize that every attempt was made to comply with applicable law and FEC regulations.

REED SMITH SHAW & McCLAY

Ms. Robin Kelly
September 30, 1994
Page 3

In conclusion, I would also add that Mr. Murray was a first-time candidate who entered this race only days prior to the filing deadline. His campaign was staffed entirely by volunteers without prior political experience. While he acknowledges that better mechanisms should have been employed by his campaign, we would respectively request that the Commission consider this incident in the context of the campaign's overall record of timely compliance with reporting requirements, and take no further action.

Thank you for your consideration.

Sincerely,

David W. Marston

DWM:kak

96043764248

SEP 30 1994
REGULAR MAIL

48 HOUR NOTICE OF CONTRIBUTIONS/LOANS RECEIVED

(See Reverse Side for Instructions)

RECEIVED
FEDERAL ELECTION COMMISSION
REPORTS ANALYSIS DIVISION
OCT 3 12 30 PM '94

To be used to report all contributions (including loans, of $1000 or more, received within 20 days of the election.

1. NAME OF COMMITTEE (in full): JOHN J. MURRAY FOR CONGRESS
ADDRESS (number and street): 1079 DEKALB PIKE
CITY, STATE, and ZIP CODE: BLUE BELL PA 19422

2. NAME OF CANDIDATE: JOHN J. MURRAY
3. OFFICE SOUGHT: US CONGRESS

C 002 92 037

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 commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.

4. FEC IDENTIFICATION NUMBER

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
JOHN J. MURRAY 1730 GOVERNORS WAY BLUE BELL, PA 19422	CANDIDATE / SELF EMPLOYED MGMT CONSULTANT		$100,000.00 LOAN ADVANCE
B. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
C. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
D. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount
E. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount

SIGNATURE (optional): John J. Murray

DATE: As of 4/22/94

For further information contact: Federal Election Commission, 999 E Street, NW, Washington, DC 20463, Toll Free 800-424-9530, Local 202-219-3420

FEC FORM

(11/8

RECEIVED
OFFICE OF FEDERAL ELECTION COMMISSION
94 OCT -4 AM 10 29
OFFICE OF FEDERAL ELECTION COMMISSION
U.S. HOUSE OF REPRESENTATIVES

96043764249

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

MAY 25 8 59 AM '95

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

RAD Referrals: 94L-36
Date Activated: February 16, 1995

Staff Members: Tracey Ligon

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

RESPONDENTS: The John J. Murray for Congress Committee and Robert N. Masucci, as treasurer (94L-36)

9604376425C

RELEVANT STATUTES: 2 U.S.C. § 434(a)(6)(A)

I. GENERATION OF MATTER

The Office of the General Counsel received referrals from the Reports Analysis Division ("RAD") pertaining to the John J. Murray for Congress Committee on November 15, 1994

The basis for these referrals is: the failure by the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, to timely file one forty-eight hour notification ("48 Hour Notice") concerning a contribution in the form of a candidate loan

The candidate loan for the John J. Murray for Congress Committee totaled $100,000. The candidate, John J. Murray, lost the 1994 Primary Election in Pennsylvania with eighteen

and six-tenths of one percent (18.6%) of the vote.

Committee failed to report a campaign contribution of $1,000 or more, received after the 20th day but more than 48 hours before an election, within 48 hours of receipt of the contribution, in violation of 2 U.S.C. § 434(a)(6)(A).[1]

II. FACTUAL AND LEGAL ANALYSIS

Based on the Factual and Legal Analysis (See Attachments 3 and 4), this Office recommends the Federal Election Commission ("Commission") find reason to believe that each Respondent violated 2 U.S.C. § 434(a)(6)(A).

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

In addition to the reason to believe recommendation, this Office recommends that the Commission offer to enter into conciliation with the Respondents prior to a finding of probable cause to believe. Attached for the Commission's approval are proposed conciliation agreement

9604376425 1

1. In the course of this investigation, this Office discovered what appears to be a reporting error in the July Quarterly Report submitted by the Murray Committee. Although, the Committee now states it received the contribution on April 25, the Committee's July Quarterly Report shows a receipt date of April 22, 1994. (See Factual & Legal for details). Because it was not part of the RAD Referral, we make no recommendations.

9604376425 2

IV. RECOMMENDATIONS

Open a MUR for Rad Referral 94L-36.

Find reason to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), and enter into conciliation prior to a finding of probable cause to believe.

Approve the attached Factual and Legal Analyses, proposed conciliation agreements, and the appropriate letters.

Lawrence M. Noble
General Counsel

Date 5/25/95

BY: Lois G. Lerner
Associate General Counsel

9604376425 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: MAY 30, 1995

SUBJECT: RAD REFERRALS #94L-36 - FIRST GENERAL COUNSEL'S REPORT DATED MAY 25, 1995.

The above-captioned document was circulated to the Commission on Thursday, May 25, 1995 at 11:00 a.m.

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

Commissioner Aikens _____

Commissioner Elliott _____

Commissioner McDonald _____

Commissioner McGarry _____

Commissioner Potter _____

Commissioner Thomas XXX

This matter will be placed on the meeting agenda for Tuesday, June 6, 1995.

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

9604376425 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	RAD Referral
The John J. Murray for Congress	)	#94L-36
Committee and Robert N. Masucci,	)	
as treasurer	)	

MUR 4223

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on June 6, 1995, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions with respect to the above-captioned matters:

Open a MUR for RAD Referral 94L-36.

Find reason to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6))A), and enter into conciliation prior to a finding of probable cause to believe.

(continued)

9604376425 5

Approve the Factual and Legal Analysis, proposed conciliation agreement, and appropriate letter for RAD Referral 94L-36 as recommended in the General Counsel's May 25, 1995 report.

Commissioners Aikens, Elliott, McDonald, Potter, and Thomas voted affirmatively for the decision; Commissioner McGarry was not present at the time of the vote.

Attest:

6-9-95
Date

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

9604376425 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 14, 1995

Robert N. Masucci, Treasurer
John J. Murray for Congress
1730 Governors Way
Blue Bell, PA 19422

RE: MUR 4223
John J. Murray for Congress
Committee and Robert N. Masucci,
as treasurer

Dear Mr. Masucci:

On June 6, 1995, the Federal Election Commission found that there is reason to believe the John J. Murray for Congress Committee and you, as treasurer, violated 2 U.S.C. § 434(a)(6)(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.

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 additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

9604376425 7

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 Tracey L. Ligon, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures:
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

cc: Mr. John J. Murray

9604376425 8

FEDERAL ELECTION COMMISSION
FACTUAL & LEGAL ANALYSIS

RESPONDENTS: John J. Murray for Congress Committee and Robert N. Masucci, as Treasurer

MUR: 4223

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires principal campaign committees of candidates for federal office to notify in writing either the Secretary of the Senate, the Clerk of the U.S. House of Representatives or the Commission, as appropriate, and the Secretary of State, of each contribution totaling $1,000 or more, received by any authorized committee of the candidate after the 20th day but more than 48 hours before any election. 2 U.S.C. § 434(a)(6)(A). The Act further requires notification to be made within 48 hours after the receipt of the contribution and to include the name of the candidate and office sought, the date of receipt, the amount of the contribution, and the identification of the contributor. Id. The notification of these contributions shall be in addition to all other reporting requirements. 2 U.S.C. § 434(a)(6)(B). According to 2 U.S.C. § 431(8)(A) and 11 C.F.R. § 100.7(a)(1)(B), a loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid.

9604376425 9

The Primary Election in Pennsylvania was held on May 10, 1994. Pursuant to the Act, the Respondents were required to notify the Commission, in writing, of all contributions of $1,000 or more received from April 21 through May 7, 1994, within 48 hours of their receipt. A review of the Committee's July Quarterly Report identified one contribution received on April 22, 1994, of $1,000 or more and totaling $100,000. The contribution was reported on Schedules A and C as a loan to the Committee from the personal funds of the candidate, John J. Murray. The Committee did not submit a 48 Hour Notice for this contribution until September 25, 1994, after it should have been filed with the Commission. The 48 Hour Notice was faxed to the Office of the Clerk of the House on September 25, 1994, and subsequently filed on October 5, 1994.

In its September 30, 1994 response to the Commission's August 19, 1994 Informational Notice, the Committee stated that the candidate, John J. Murray, had instructed Kidder Peabody to transfer $100,000 from his personal investment account to his personal account at the Provident National Bank on April 20, 1994. The funds were to be immediately transferred to the Murray campaign in the form of a loan. According to this response, the candidate intended for the entire transaction to be completed on April 20, 1994, one day before the 48 Hour Notice period was to begin. The committee stated that the initial transfer did not take place until April 22, and the Committee did not receive the funds until April 25.

9604376426C

Accordingly, there is reason to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A) by failing to report campaign contributions of $1,000 or more, received after the 20th day, but more than 48 hours before the Primary Election, within 48 hours of receipt of the contribution.

9604376425 1

REED SMITH SHAW & McCLAY

2500 ONE LIBERTY PLACE
PHILADELPHIA, PA 19103-7301
215-851-8100

PITTSBURGH, PA
WASHINGTON, DC
HARRISBURG, PA
McLEAN, VA
PRINCETON, NJ

FAX 215-851-1420
WRITER'S DIRECT DIAL NUMBER

215-851-8199

JUL 6 1 34 PM '95

July 6, 1995

via TELECOPY

Tracey Ligon, Esquire
Federal Election Commission
Washington, DC 20463

Re: MUR 4223
John J. Murray for Congress
Committee and Robert N. Masucci,
as Treasurer

Dear Ms. Ligon:

Per our telephone conversation, I am requesting an extension of time in submitting documents with regard to the Federal Election Commissions's (the "Commission") consideration of the above-referenced matter for the following reasons.

In the Commission's June 14, 1995 letter to Mr. Masucci, it was stated that any materials in connection with this matter were to be submitted to the Commission within 15 days of receipt of your letter; however, due to a wrong address and then wrong forwarding on the Post Office's part, the letter was not received until June 27, 1995. Also, the attorney who is handling this matter is out of town until the end of July.

I look forward to hearing from you. Please let me know if you have questions. For your information, my fax number is 215-851-1420.

Thank you.

Sincerely,

Karen A. Kelly

Karen A. Kelly
Secretary to
David W. Marston

KAK:ns

9604376422

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1995

Karen A. Kelly
Secretary to David W. Marston, Esquire
Reed Smith Shaw & McClay
2500 One Liberty Place
Philadelphia, PA 19103-7301

Re: MUR 4223
John J. Murray for Congress
Committee and Robert N. Masucci,
as treasurer

Dear Ms. Kelly:

This is in response to your letter dated July 6, 1995, requesting an extension of time in which to submit materials that your office believes are relevant to the Federal Election Commission's consideration of the above-referenced matter. The Office of the General Counsel has considered the circumstances presented in your letter, which indicates that the notification letter sent by the Commission to Mr. Robert N. Masucci was not received until June 27, 1995, and that the attorney who is handling this matter will be out of town until the end of July, and has granted your request for an extension. The period within which your office may submit any factual or legal materials is extended to August 15, 1995.

Accordingly, the period of conciliation negotiations, prior to a finding of probable cause to believe, which is limited to a maximum of thirty days, is extended to the close of business on August 30, 1995. Because the Office of the General Counsel has granted such a lengthy extension of time, we trust that sufficient attention will be focused on this matter to ensure that pre-probable cause conciliation negotiations may conclude within the time frame allotted.

Please have Mr. Masucci complete the attached Statement of Designation of Counsel form and return it this Office as soon as possible. If I can be of any further assistance, please contact me at (202) 219-3690.

Sincerely,

Tracey L. Ligon

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

9604376426 3

John J. Murray for Congre

15650 Buckland Trail - Russell, Ohio 44072 - (216) 338-9825

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

AUG 22 9 08 AM '95

August 11, 1995

Mr. Danny L. McDonald
Chairman
Federal Election Commission
Washington, DC 20463

RE: MUR 4223
John J. Murray for Congress Committee
and Robert N. Masucci, as Treasurer

Dear Mr. McDonald:

Please accept this as a response to your letter of June 14, 1995. I appreciate the additional time that was provided to respond to your probable cause proposal.

On March 29, 1994, the above named committee made its initial submission of forms to the Federal Election Commission. These submissions were made in connection with my decision to become a candidate for the United States Congress. The election was held on May 10, 1994. Prior to this campaign, I was totally unfamiliar with the workings and requirements of the Federal Election Commission, in general, and campaign finance law in particular.

The decision to run for Congress was made with a knowledge of the significant personal and financial sacrifices that would be associated with such an effort. We were, however, very naive about the regulatory and back office requirements involved in running a campaign. In fact, we entered the race having never previously been involved in elected politics.

Our newness to the process caused us to make various mistakes along the way, but none were made with regard to campaign finance, or so we thought. This was accomplished despite the fact that the campaign was staffed entirely by volunteers. The work done in understanding and completing forms for the Federal Election Commission was primarily handled by Mr. Mark Gerber, our Assistant Treasurer, and a volunteer to the campaign. Mr. Gerber, a CPA by training, never received financial remuneration of any type and our ability to make demands on his time in setting up the processes and procedures for an endeavor unlike any that he was ever associated with was limited. When we received a letter from the Commission dated August 17, 1994 stating that we had failed to file a FEC Form 6. I consulted with an attorney, Mr. David Marston, to determine how we could remedy this situation, or if the failure to file this form in April was even a violation, given the facts of our case. Mr. Marston agreed to write a letter on behalf of the campaign. The 48-hour form was filed on September 29, 1994 and Mr. Marston's letter of

9 5 0 4 3 7 6 4 2 6 4

response outlining the circumstances that gave rise to our decision to file this form, after the fact, was sent on September 30, 1994. (A copy of Mr. Marston's letter is attached for your review.)

Since that date, I have relocated my family to Ohio and out of the district in Pennsylvania in which I ran. This move was made in connection with an offer of employment.

When we received your most recent letter dated June 14, 1995 wherein you have offered to settle this matter in advance of a legal proceeding, we were very much taken back. In part, my surprise is based upon the fact that I would consider the error of our campaign to be highly technical and a clearly inadvertent omission. As you may be aware from our earlier correspondence, information that would have lead to the filing of this report in April, i.e. a system to capture my attempt to wire transfer from personal funds on April 20, 1994 did not exist. A second wire transfer made in the same timeframe as a $1,000 contribution (i.e. within 20 days of the primary date) was documented through a 48-hour notice and is evidence that the campaign was making every effort to comply with our obligations.

Finally, the fact is, as I am sure you are aware, I lost. This has been the only issue raised by the FEC which we have not been able to resolve through correspondence. In short, we have demonstrated a diligent effort to comply with the law and fulfill the intentions of its authors. Based on the documents filed with your office, you are also aware that there was a considerable expenditure of personal funds, including money spent for the resolution of certain disputed invoices. We have done so in an attempt to handle every obligation as a moral commitment of the campaign.

We await your consideration and reply.

Sincerely,

John J. Murray

JJM:bd
Attachment

9 6 0 0 4 3 7 6 4 2 6 5

Pri Sep 30 11:38:50 1994

REED SMITH SHAW & McCLAY

2500 ONE LIBERTY PLACE
PHILADELPHIA, PA 19103-7301
215-851-8100

FACSIMILE
215-851-1420

PITTSBURGH, PA
WASHINGTON, DC
HARRISBURG, PA
McLEAN, VA
PRINCETON, NJ

WRITER'S DIRECT DIAL NUMBER

(215) 851-8198

September 30, 1994

Robin Kelly
Reports Analyst
Reports Analysis Division
Federal Election Commission
Washington, DC 20463

RE: FEC Letter dated August 19, 1994 to Robert N. Masucci, Treasurer, John J. Murray for Congress Committee - I.D. Number: C00292037

Dear Ms. Kelly:

I have been asked to reply to your letter dated August 19, 1994 to Robert N. Masucci, Treasurer of the John J. Murray for Congress Committee (the "FEC Letter"). I have inquired as to the facts relating to the question raised by your preliminary review of the July Quarterly Report filed by the Murray campaign, and believe that the following is responsive to that question.

Prior to setting forth the substantive explanation, however, I would call to your attention the fact that the Murray campaign filed with the Clerk of the House of Representatives, by fax on September 25, 1994, and subsequently by mail, a 48-hour Notice with respect to the contribution referred to in the FEC Letter, which Notice was intended to be effective, nunc pro tunc, as of April 22, 1994. A copy of such Notice is enclosed herewith for your information.

The facts with respect to this matter are as follows: on April 20, the twentieth day before the May 10 primary, candidate Murray instructed Kidder Peabody to transfer $100,000 from his personal investment account there to his personal account at Provident National Bank, which amount would be thereafter transferred to the Murray campaign as a loan (the "Murray Loan"). If the banks involved had in fact completed these transactions on the date of Murray's instruction, as he intended, no 48-hour Notice would have been required, and the contribution would have been reported on the next regular FEC report.

96043764266

In fact, however, funds for the Murray Loan were not received by Provident National Bank until April 22, and the Murray campaign account did not actually receive the funds until April 25. (Written evidence of the Murray Loan was filed by the campaign with the July Quarterly Report).

In reviewing campaign records during the weekend of April 23-24 to determine whether any 48-hour Notices were required, campaign personnel did not discover any record of the Murray Loan, since it was not in fact received by the campaign until April 25. In addition, the campaign reporting system was essentially set up to allow the campaign staff to trace and report contributions by check or cash, and so there was no mechanism to trigger filing of the Notice once the Murray Loan, a wire transfer, was received by the campaign.

In your review of this matter, I would urge that appropriate weight be given to the following factors:

(i) There was never any attempt to evade or avoid FEC reporting requirements in this campaign, and in fact, if the Murray Loan had been received by the campaign on the date Murray instructed Kidder Peabody to transfer it, no 48-hour Notice would have been required. As evidence of the campaign's commitment to compliance, it should be noted that on May 2, a second 48-hour Notice was timely filed. This notice contained an additional loan advance of $35,000 authorized by Mr. Murray on May 1, as well as a $1,000 contribution to the campaign within the 20-day period. Further, the Murray Loan was voluntarily reported to the FEC in the campaign's July Quarterly Report.

(ii) The contribution involved here was not from a third-party contributor seeking anonymity, which I understand is the primary concern of the FEC rule, but rather from the candidate himself, who never made any secret of his intention to make major contributions and/or loans to his own campaign. Accordingly, the fact of the Murray Loan would not have been a surprise to anyone in this race and no one was significantly disadvantaged by the failure to make a timely filing (although the campaign acknowledges that it should have had mechanisms in place to ensure that such filing was made on a timely basis).

(iii) The Notice was in fact filed on September 25, 1994, and while it is recognized that a late-filed notice is never effective as a substitute for timely compliance, we would emphasize that every attempt was made to comply with applicable law and FEC regulations.

9604376426 7

In conclusion, I would also add that Mr. Murray was a first-time candidate who entered this race only days prior to the filing deadline. His campaign was staffed entirely by volunteers without prior political experience. While he acknowledges that better mechanisms should have been employed by his campaign, we would respectively request that the Commission consider this incident in the context of the campaign's overall record of timely compliance with reporting requirements, and take no further action.

Thank you for your consideration.

Sincerely,

David W. Marston

DWM:kak

96043764268

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 5, 1995

Mr. John J. Murray
15650 Buckland Trail
Russell, Ohio 44072

Re: MUR 4223
John J. Murray for Congress Committee
and Robert N. Masucci, as Treasurer

Dear Mr. Murray:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities and information submitted by David W. Marston, Esquire, in a letter dated September 30, 1994 written on behalf of the respondents, on June 6, 1995, the Federal Election Commission found reason to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), and instituted an investigation in this matter.

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

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

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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

9604376426 9

Should you have any questions, please contact Tracey L. Ligon, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure:
General Counsel's Brief

96043776427C

FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
John J. Murray for Congress Committee and Robert N. Masucci, as Treasurer	)	MUR 4223
	)	

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

This matter was generated from information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). The Commission found reason to believe that the respondents, the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), and instituted an investigation into this matter. In this brief, the General Counsel sets forth the legal and factual issues in this matter, and provides a recommendation regarding whether there is probable cause to believe a violation has occurred. See 11 C.F.R. § 111.16(a).

II. THE LAW

The Federal Election Campaign Act of 1971, as amended (the "Act"), requires principal campaign committees of candidates for federal office to notify in writing the Secretary of the Senate, the Clerk of the U.S. House of Representatives, or the Commission, as appropriate, and the Secretary of State, of each contribution totaling $1,000 or more, received by any authorized committee of the candidate after the 20th day but more than 48 hours before any election. 2 U.S.C. § 434(a)(6)(A). The Act further requires

9604376427 1

notification to be made within 48 hours after the receipt of the contribution ("48-Hour Notices"), and to include the name of the candidate and office sought, the date of receipt, the amount of the contribution, and the identification of the contributor. Id. The notification of these contributions shall be in addition to all other reporting requirements. 2 U.S.C. § 434(a)(6)(B).

The statutory basis for the Commission's authority to initiate compliance proceedings is found in 2 U.S.C. § 437g.

III. THE FACTS

The Primary Election in Pennsylvania was held on May 10, 1994. Pursuant to the Act, the Respondents, the John J. Murray for Congress Committee and its treasurer, Robert N. Masucci, were required to notify the Commission, in writing, of all contributions of $1,000 or more received from April 21 through May 7, 1994, within 48 hours of their receipt. A review of the Committee's July Quarterly Report identified one contribution received on April 22, 1994, of $1,000 or more and totaling $100,000. The contribution was reported on Schedules A and C as a loan to the Committee from the personal funds of the candidate, John J. Murray. The Committee did not submit a 48 Hour Notice for this contribution until September 25, 1994, after it should have been filed with the Commission. The 48 Hour Notice was transmitted via facsimile to the Office of the Clerk of the House on September 25, 1994, and subsequently filed on October 5, 1994.

In its September 30, 1994 response to the Commission's August 19, 1994 Informational Notice, the Committee stated that the candidate, John J. Murray, had instructed Kidder Peabody to

9604376427 2

transfer $100,000 from his personal investment account to his personal account at the Provident National Bank on April 20, 1994. The funds were to be immediately transferred to the Murray campaign in the form of a loan. According to this response, the candidate intended for the entire transaction to be completed on April 20, 1994, one day before the 48 Hour Notice period was to begin. The committee stated that the initial transfer did not take place until April 22, and the Committee did not receive the funds until April 25.

IV. **THE ANALYSIS**

Based on the foregoing legal and factual information, there is probable cause to believe that by failing to report campaign contributions of $1,000 or more, received after the 20th day, but more than 48 hours before the Primary Election, within 48 hours of receipt of the contribution, the respondents violated 2 U.S.C. § 434(a)(6)(A).

Respondents have contended that their newness to the political process caused them to make some mistakes, specifically pointing out that Mr. John J. Murray was a first-time candidate who entered the race only days prior to the filing deadline and that the campaign committee was staffed entirely by volunteers. The respondents have stated further that the committee's reporting system was essentially set up to allow campaign staff to trace and report contributions made by check or cash, and that there was no mechanism to detect that a wire transfer was received by the committee. The respondents assert that their failure to timely file the required 48 Hour Notice was an inadvertent mistake, and

9604376427 3

that they acted with no intentional or willful disregard for the Commission's reporting requirements and diligently attempted to comply with the law, noting that they timely filed a 48 Hour Notification with respect to another contribution received within the 48 Hour Notice period.

In addition, the respondents assert that the candidate repeatedly stated throughout his campaign that he was financing the campaign from his own funds, and that the candidate's self-financing received widespread media attention. Consequently, the respondents argue, the spirit of the Commission's reporting requirement was fulfilled.

The respondents' explanations regarding the committee's inexperienced personnel and its lack of a mechanism to detect contributions to the committee via wire transfer neither justify nor vitiate their violation of the 48 Hour Notice requirement. See e.g., MUR 3044 (Commission rejected arguments concerning pressures of campaign, including inexperienced staff, and found probable cause to believe that committee violated the 48 Hour Notice requirement). The respondents bear complete responsibility for complying with the requirements of the law, which if necessary, places the burden upon the respondents to inform its campaign volunteers of the requirements of the law, or otherwise establish procedures or mechanisms to ensure compliance. Moreover, the Commission mailed to the respondents prior notice of the 48 Hour Notice reporting requirement on April 4, 1994. The notice, which is entitled "Primary Election Report Notice," includes a section entitled "48 Hour Notices on Contributions."

9604376427 4

This section reads "Notices are required if the committee receives contributions (including contributions and loans from the candidate's personal funds; and endorsements or guarantees of bank loans) of $1,000 or more, during the period of April 21 through May 7. The notices must reach the appropriate federal and state filing offices within 48 hours of the committee's receipt of the contribution(s)."

The respondents' argument that the spirit of the 48 Hour Notice requirement was fulfilled by widespread media coverage of the candidates repeated declarations that he was financing his campaign is irrelevant. The Commission may not abdicate to the news media its responsibility to ensure the collection and dissemination of accurate information for the public. Moreover, the respondents' argument fails to address how the level of press coverage of any campaign would be determined sufficiently adequate to replace the Commission's reporting requirements, or how candidates would be required to address inaccurate press coverage. Further, important information concerning the precise figures and the precise timing of contributions may not be made public by the media. See MUR 3721 (Commission rejected argument by Perot '92 Committee that Commission's reporting requirements were obviated by media coverage of candidate's statements that he planned to personally finance his campaign).

9604376427 5

V. GENERAL COUNSEL'S RECOMMENDATION

1. Find probable cause to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A).

10/5/95
Date

Lawrence M. Noble
General Counsel

96043764276

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

OCT 5 5 04 PM '95

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
John J. Murray for Congress Committee	)	MUR 4223
and Robert N. Masucci, as Treasurer	)	
	)	

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, based on the assessment of the information presently available.

10/5/95
Date

Lawrence M. Noble
General Counsel

9604376427 7

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

November 21, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John J. Murray
15650 Buckland Trail
Russell, Ohio 44072

Re: MUR 4223
John J. Murray for Congress Committee
and Robert N. Masucci, as Treasurer

Dear Mr. Murray:

On October 5, 1995, you were notified that the Office of the General Counsel is prepared to recommend that the Federal Election Commission find probable cause to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A). The General Counsel's Brief, which sets forth this Office's position on the legal and factual issues of the matter, and its recommendation that the Commission find probable cause to believe that the violation occurred, was also enclosed with the October 5, 1995 letter. The letter advised that before proceeding to a vote of whether there is probable cause to believe a violation has occurred, the Commission would consider any response brief submitted within fifteen days of that letter. To date, this Office has not received a response brief in this matter.

Unless a response brief is received in this Office within five business days of your receipt of this notification, this Office will proceed to the next stage of the enforcement process.

Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tracey L. Ligon
Attorney

9604376427 8

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

DEC 7 11 12 AM '95

In the Matter of	)	
	)	MUR 4223
John J. Murray for Congress Committee and Robert N. Masucci, as Treasurer	)	
	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated from information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). The Commission found reason to believe that the respondents, the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A).

this Office submitted to the respondents the General Counsel's Brief, setting forth its position on the legal and factual issues of the matter, and its recommendation that the

9604376429 79

Commission find probable cause to believe that the violations occurred. Subsequently, this Office mailed to the respondents a notification reminding the respondents that the Commission would consider any response brief submitted in this matter and advising that this Office would proceed to the next stage of the enforcement process unless a response brief was received within five business days. To date, the respondents have not submitted a response brief or otherwise responded further.

II. ANALYSIS

This Report incorporates by reference the General Counsel's Brief and all arguments and authorities contained therein.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

This Office recommends that the Commission submit to the respondents a proposed conciliation agreement

9 5 0 4 3 7 6 4 2 8 C

IV. RECOMMENDATIONS

1. Find probable cause to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A).

2. Approve the attached conciliation agreement and appropriate letter.

12/6/95
Date

Lawrence M. Noble
General Counsel

Attachment:
1. Conciliation Agreement

Staff assigned: Tracey L. Ligon

9604376428 1

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
John J. Murray for Congress Committee	)	MUR 4223
and Robert N. Masucci, as Treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 15, 1995, the Commission decided by a vote of 5-0 to take the following actions in MUR 4223:

1. Find probable cause to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A).

2. Approve the conciliation agreement and appropriate letter, as recommended in the General Counsel's Report dated December 6, 1995.

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

Attest:

12-15-95
Date

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

Received in the Secretariat:	Thurs.,	Dec. 07, 1995	11:12 a.m.
Circulated to the Commission:	Thurs.,	Dec. 07, 1995	4:00 p.m.
Deadline for vote:	Fri.,	Dec. 15, 1995	4:00 p.m.

lrd

9 5 0 4 3 7 6 4 2 3 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 20, 1995

Mr. John J. Murray
15650 Buckland Trail
Russell, Ohio 44072

RE: MUR 4223

Dear Mr. Murray:

On December 15, 1995, the Federal Election Commission found that there is probable cause to believe the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), a provision of the Federal Election Campaign Act of 1971, as amended, by failing to report a campaign contribution of $100,000, received after the 20th day, but more than 48 hours before the 1994 Primary Election, within 48 hours of receipt of the contribution.

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

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

If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Tracey L. Ligon, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure:
Conciliation Agreement

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

9 6 0 4 3 7 6 4 2 8 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 26, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John J. Murray
15650 Buckland Trail
Russell, Ohio 44072

RE: MUR 4223

Dear Mr. Murray:

On December 20, 1995, you were mailed a notification that the Federal Election Commission found probable cause to believe that the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), a provision of the Federal Election Campaign Act of 1971, as amended. A conciliation agreement offered by the Commission in settlement of this matter accompanied the notification.

During our telephone conversation this afternoon, you confirmed that you received the December 20, 1995 notification and indicated that you were contemplating whether and how to respond to this matter. You stated that you may or may not respond to the Commission's post- probable cause conciliation offer and expressed your belief that you have 90 days in which to respond, should you so decide.

Please note that pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), the conciliation period in this matter may not extend for more than 90 days, but may cease after 30 days. Generally, this Office limits the post-probable cause negotiation period to 30 days unless both the respondents and the Commission are actively participating in the process of negotiating a settlement and a longer period is needed.

Inasmuch as more than 30 days have elapsed without a response from you, a recommendation concerning the filing of a civil suit will be made to the Commission by the Office of the General Counsel unless we receive a response from you by February 9, 1996.

9 6 0 4 3 7 6 4 2 8 4

Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tracey L. Ligon
Attorney

9 6 0 4 3 7 6 4 2 8 5

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

John J. Murray

Feb 12 11 19 AM '96

15650 Buckland Trail - Russell, Ohio 44072 - (216) 338-9825

February 9, 1996

MUR 4223

Ms. Tracey L. Ligon
Attorney
Federal Election Commission
Washington, D.C. 20463

Dear Ms. Ligon:

Please accept this as a response to your letter of January 26. Your recollection of the telephone conversation is only half right. My intention was to respond to the Commission's post-probably cause conciliation offer. This intention, however, was based on the understanding that I would have 90 days to respond. Inasmuch as I am concerned with many other matters and have not read 2 U.S.C. §437g(a)(4)(A)(i), I was unaware of the Commission's right to unilaterally limit the process until I received your letter.

If you are willing to provide me with the full 90 days, please let me know.

Sincerely,

John J. Murray

JJM:bd

9604376426 36

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT
FEB 29 3 36 PM '96
SENSITIVE
MAR 14 1996
EXECUTIVE SESSION

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 4223
The John J. Murray for Congress	)	
Committee and Robert N. Masucci,	)	
as treasurer	)	
	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated from information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). The Commission found reason to believe that the respondents, the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer, violated 2 U.S.C. § 434(a)(6)(A) by failing to file a 48 Hour Notice for a contribution (in the form of a loan from the candidate) of $100,000 within forty-eight hours of receipt of the contribution. This Office submitted to the respondents the General Counsel's Brief, setting forth its position on the legal and factual issues of the matter, and its recommendation that the Commission find probable cause to believe that the violations occurred. Subsequently, this Office mailed to the respondents a notification reminding the respondents that the Commission would consider any response brief submitted in this matter and advising that this Office would proceed to the next stage of the enforcement process unless a response brief was received within five business days. In the absence of a response from the respondents, the Commission found probable cause to believe that the respondents violated 2 U.S.C. § 434(a)(6)(A).

On December 20, 1995, this Office mailed to the respondents a notification of the Commission's probable cause to believe finding. On January 26, 1996, following the passage of

96043164237

thirty days, this Office contacted the respondents by telephone. During our telephone conversation, the respondents confirmed that they received the December 20, 1995 notification and indicated that they were contemplating whether and how to respond to this matter. The respondents further stated that they may or may not respond to the Commission's post-probable cause conciliation offer and expressed a belief that they have ninety days in which to respond, if they so desire. During that conversation, and later, in a letter memorializing the conversation, this Office informed the respondents that we generally limit the post-probable cause negotiation period to thirty days unless both the respondents and the Commission are actively participating in the process of negotiating a settlement and extending conciliation seems likely to lead to a resolution. In the letter, this Office informed the respondents that we would make a recommendation concerning the filing of a civil suit in this matter unless we received a response from the respondents by February 9, 1996.

On February 12, 1996, this Office received a letter from the respondents in which they expressed an intention to respond to the Commission's post-probable cause conciliation offer; claimed to have been unaware that the post-probable cause conciliation period does not automatically extend to ninety days; and requested the full ninety days to respond. However, based on the nature of this Office's conversations with the respondents as well as the respondents' earlier failure to submit a response brief in this matter, this Office is not optimistic about the likelihood that the respondents would submit a serious counteroffer during the post-probable cause conciliation period even if they were given ninety days in which to do so. Indeed, at times during the course of this matter respondents have indicated that the FEC would have to sue them. Nonetheless, in an effort to further gauge the usefulness of extending the post-

9 5 0 4 3 7 6 4 2 9 8

probable cause conciliation period any longer, this Office telephoned the respondents on February 15, 1996 to at least ascertain the general substance of the response purportedly contemplated by the respondents. During the conversation, the respondents stated that they could neither state the substance of their future response nor state when they would be able to state the general substance of their response. In the interests of both expediting the progress of this matter and providing the respondents with ample opportunity to respond, this Office granted the respondents until the close of business on Friday, February 16, 1996 to at least convey the likely substance of their pending response. To date, the respondents have not submitted a written response or otherwise communicated with this Office further. Therefore, we recommend that the Commission authorize this Office to file a civil suit for relief in United States District Court against the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer.

II. RECOMMENDATIONS

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against the John J. Murray for Congress Committee and Robert N. Masucci, as treasurer.

2. Approve the appropriate letter.

2/29/96
Date

Lawrence M. Noble
General Counsel

Staff Assigned: Tracey L. Ligon

9 6 0 4 3 7 6 4 2 3 9

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 4223
The John J. Murray for Congress	)	
Committee and Robert N. Masucci,	)	
as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 19, 1996, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 4223:

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against the John J. Murray for Congress Committee.

2. Approve the appropriate letter as recommended in the General Counsel's February 29, 1996 report.

Commissioners Aikens, Elliott, McDonald, and Thomas voted affirmatively for the decision; Commissioner McGarry was not present at the time of the vote.

Attest:

3/20/96
Date

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

9604376429C

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

AUG 15 11 37 AM '96

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 15, 1996

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

Richard B. Bader
Associate General Counsel

Stephen E. Hershkowitz
Assistant General Counsel

Kenneth E. Kellner
Attorney

SUBJECT: Proposed Final Consent Order and Judgment in FEC v. John J. Murray for Congress Committee, No. 96-CV-4490 (E.D.Pa. filed June 20, 1996)

For the reasons set forth below, this Office recommends acceptance of a settlement offer, in the form of a final consent order and judgment, from defendant John J. Murray for Congress Committee.

BACKGROUND AND DESCRIPTION OF SETTLEMENT OFFER

On March 19, 1996, the Commission authorized the Office of the General Counsel to file a civil suit in federal district court against the John J. Murray for Congress Committee (the "Committee"), the principal campaign committee of John J. Murray in connection with his 1994 campaign for the election to the United States House of Representatives from the Thirteenth District of Pennsylvania. This authorization followed the Commission's finding of probable cause to believe, in MUR 4223, that the Committee and its treasurer violated 2 U.S.C. § 434(a)(6)(A) by failing to report timely a contribution of $1,000 or more received after the 20th day, but more than 48 hours before the 1994 primary election. The Committee changed treasurers after the brief on probable cause was forwarded to the Committee, and suit was not authorized against the Committee's treasurer. Suit was filed against the Committee on June 20, 1996.

9604376429 1

The contribution at issue was in the form of a $100,000 loan to the Committee from the candidate on April 22, 1994. The receipt of these funds was disclosed on the Committee's quarterly report filed July 15, 1994, but not within 48 hours of receipt as required by 2 U.S.C. § 434(a)(6)(A). Although the candidate contends that he authorized the loan on April 20, 1994 (see Attachment 4 at 1), a date outside the reporting requirements of 2 U.S.C. § 434(a)(6)(A), the fact remains that the contribution was not reported as required by 2 U.S.C. § 434(a)(6)(A) until October 5, 1994, when the Committee filed a 48-hour notice of the April 22, 1994 contribution.

9 5 0 4 3 7 6 4 2 9 2

ANALYSIS

CONCLUSION

In light of the circumstances presented, this Office believes that the attached agreement represents the best outcome available for the Commission. Accordingly, this Office recommends that the Commission accept the attached proposed final consent order and judgment with the John J. Murray for Congress Committee.

9 5 0 4 3 7 6 4 2 9 3

RECOMMENDATIONS

1. Accept the proposed final consent order and judgment with the John J. Murray for Congress Committee.

2. Close the file in MUR 4223.

Attachments

1. Proposed Final Consent Order and Judgment
2. Letter from John J. Murray dated June 24, 1996.
3. Letter from John J. Murray dated June 24, 1996.
4. Letter from John J. Murray dated July 24, 1996.
5. 1996 Mid-Year Report of John J. Murray for Congress Committee

9 3 0 4 3 7 6 4 2 9 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
FEC v. John J. Murray for Congress Committee - Proposed Final Consent Order and Judgment.	)	No. 96-CV-4490 (E.D.Pa. filed June 20, 1996)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 20, 1996, the Commission decided by a vote of 5-0 to take the following actions in the above-captioned matter:

1. Accept the proposed final consent order and judgment with the John J. Murray for Congress Committee, as recommended in the General Counsel's Memorandum dated August 15, 1996.

2. Close the file in MUR 4223.

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

Attest:

8-20-96
Date

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

Received in the Secretariat: Thurs., Aug. 15, 1996 11:37 a.m.
Circulated to the Commission: Thurs., Aug. 15, 1996 4:00 p.m.
Deadline for vote: Tues., Aug. 20, 1996 4:00 p.m.

bjr

9604376425

FILED SEP 11 1996

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL

CNW

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

96 SEP 27 AM 11 34 AM '96

FEDERAL ELECTION COMMISSION,	)	
	)	
Plaintiff,	)	Civil Action No. 96-CV-4490
	)	
v.	)	
	)	FINAL CONSENT ORDER
JOHN J. MURRAY FOR CONGRESS COMMITTEE,	)	AND JUDGMENT
	)	
	)	
Defendant.	)	

RECEIVED SEP - 9 1996

FINAL CONSENT ORDER AND JUDGMENT

This action for declaratory, injunctive and other relief was instituted by the plaintiff Federal Election Commission (the "Commission" or "FEC") against the defendant John J. Murray for Congress Committee pursuant to the express authority granted the Commission by sections 307(a)(6) and 309(a)(6)(A) of the Federal Election Campaign Act of 1971, as amended (the "Act" or "FECA"), codified at 2 U.S.C. § 437d(a)(6) and 437g(a)(6)(A).

This Court has original jurisdiction over this suit pursuant to 28 U.S.C. § 1345 as an action brought by an agency of the United States expressly authorized to sue by an Act of Congress. Venue is properly found in the Eastern District of Pennsylvania in accordance with 2 U.S.C. § 437g(a)(6)(A) as defendant can be found, resides, or transacts business in this district. The plaintiff Commission has satisfied all jurisdictional requirements which are prerequisites to filing this suit.

The parties now agree to entry of this Court's judgment and consent to the issuance of this order, as evidenced by the signatures of defendant and counsel for the Commission.

The parties agree that the pertinent facts in this matter are as follows:

1. Defendant is a political committee within the meaning of 2 U.S.C. § 431(4), and was the principal campaign committee, as defined by 2 U.S.C. § 431(5), of John J. Murray in connection with

ENTERED: 9/12/96

CLERK OF COURT

9 6 0 4 3 7 6 4 2 2 6

his 1994 campaign for election to the United States House of Representatives from the Thirteenth District of Pennsylvania. Eileen D. Murray is the treasurer of the Committee.

2. Section 434(a)(6)(A) of Title 2, United States Code, requires a political committee which is the principal campaign committee of a candidate for the United States House of Representatives to notify in writing the Clerk of the United States House of Representatives of each contribution totaling $1,000 or more received by such a committee after the 20th day but more than 48 hours before any election. Notifications made pursuant to this provision of law must be made within 48 hours after the receipt of a contribution totaling $1,000 or more, and must include the name of the candidate and office sought by the candidate, the date of receipt of the contribution, the amount of the contribution, and the identity of the contributor. 2 U.S.C. § 434(a)(6)(A).

3. Section 431(8)(A)(i) of Title 2, United States Code, provides that the term "contribution" includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office."

4. John J. Murray was a candidate in the primary election held on May 10, 1994 in the Thirteenth District of Pennsylvania. Accordingly, pursuant to 2 U.S.C. § 434(a)(6)(A), defendant was required to report campaign contributions totaling $1,000 or more received between April 21 and May 7, 1994, inclusive, within 48 hours of receipt of such contributions.

5. On April 22, 1994, defendant received a contribution, in the form of a loan of money from the candidate John J. Murray, totaling $100,000. While the receipt of these funds was listed on the defendant's quarterly report filed July 15, 1994, defendant did not report this contribution within 48 hours of receipt as required by 2 U.S.C. § 434(a)(6)(A). In fact, the contribution was not reported by defendant as required by 2 U.S.C. § 434(a)(6)(A) until October 5, 1994. Defendant contends (1) that the candidate, John J. Murray, authorized the loan on April 20, 1994, a date outside the reporting requirements of 2 U.S.C. § 434(a)(6)(A); and (2) that it did not knowingly or willfully violate the law.

6. Defendant avers that it has no property or assets other than a bank account containing $2,346.65, and that it currently has debts and obligations aggregating to at least $350,000.

9604376427

Therefore, it is hereby ORDERED, ADJUDGED AND DECREED:

1. That defendant John J. Murray for Congress Committee failed to report timely a contribution of $1,000 or more received after the 20th day, but more than 48 hours before the 1994 primary election, in violation of 2 U.S.C. § 434(a)(6)(A);

2. That defendant John J. Murray for Congress Committee is permanently enjoined from similar future violations of 2 U.S.C. § 434(a)(6)(A);

3. That the Commission is awarded a civil penalty to be paid by defendant John J. Murray for Congress Committee in the amount of Fifteen Thousand Dollars ($15,000);

4. That because of the financial circumstances averred by defendant, all but Three Thousand Dollars ($3,000) of the civil penalty to be paid by defendant John J. Murray for Congress Committee is suspended;

5. That defendant John J. Murray for Congress Committee shall pay $3,000 to the Commission no later than 15 days after this Final Consent Order and Judgment is approved by the Court;

6. That all contributions received by defendant John J. Murray for Congress Committee after the effective date of this Final Consent Order and Judgment shall within ten (10) days of receipt, be paid by defendant to the plaintiff Federal Election Commission to retire the suspended amount of the civil penalty in this matter;

7. That nothing in this final consent order and judgment shall bar defendant John J. Murray for Congress Committee from terminating as long as defendant satisfies the terms of this final consent order and judgment and satisfies the Commission's regulations regarding termination of political committees;

8. That the Commission may review compliance with this final consent order and judgment and, if it discovers that this final consent order and judgment or any requirement thereof has been violated, the Commission may seek enforcement of the terms of this final consent order and judgment, or request that the full $15,000 penalty be imposed in whole or in part without objection from defendant John J. Murray for Congress Committee;

9 5 0 4 3 7 6 4 2 9 8

9. That failure by the Commission to seek enforcement of the terms of this final consent order and judgment, or to request imposition of the full $15,000 penalty with regard to a violation of this final consent order and judgment shall not be construed as a waiver of the Commission's right to do so with regard to future violations of this final consent order and judgment;

10. That unless this final consent order and judgment is violated, entry of this final consent order and judgment resolves all issues with respect to all persons regarding the violation of law which is the subject of this litigation;

11. That the parties shall bear their own costs and attorney's fees in this litigation.

9/10/96
Date

Charles R Weiner
Charles Weiner
UNITED STATES DISTRICT JUDGE

We hereby consent to the entry of the foregoing consent order and judgment.

Lawrence M. Noble
General Counsel

Richard B. Bader
Associate General Counsel

Stephen E. Hershkowitz
Assistant General Counsel

John J. Murray
John J. Murray

FOR THE DEFENDANT
John J. Murray for Congress Committee
15650 Buckland Trail
Russell, Ohio 44072
(216) 338-9825

Date: 22 August 1996

Kenneth E. Kellner
Attorney

FOR THE PLAINTIFF
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463
(202) 219-3400

Date: 9/5/96

9604376430C

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4223

DATE FILMED 11-7-96 CAMERA NO. 4

CAMERAMAN JMN

9604364301