



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4229

DATE FILMED 2/27/96 CAMERA NO. 4

CAMERAMAN E.E.S.

96043721567

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: February 23, 1995

ANALYST: Pat Sheppard

I. COMMITTEE: Friends of Bernadette Castro
(C00294710)
E. Edgar Cosman, Treasurer
1990 Jericho Turnpike
New Hyde Park, NY 11040

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 Friends of Bernadette Castro committee ("the Committee") has failed to file one (1) 48-Hour Notification ("48 Hour Notice") for a candidate loan in the amount of \$352,810 received prior to the 1994 General Election.

The candidate was involved in the 1994 General Election held on November 8, 1994. Prior Notice was sent to the Committee on October 3, 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 October 20 through November 5. 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 1994 30 Day Post-General 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 the candidate loan for which no 48-Hour Notice was filed:

<u>Contributor Name</u>	<u>Date</u>	<u>Amount</u>
Bernadette Castro (Personal Funds)	10/28/1994	\$352,810

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FRIENDS OF BERNARDETTTE CASTRO
REPORTS ANALYSIS OGC REFERRAL
PAGE 2

On January 13, 1995, an Informational Notice was sent to the Committee (Attachment 4). The notice states 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 January 24, 1995 a representative of the Committee called a Reports Analysis Division Analyst (Attachment 5). He stated that he had received the letters and wanted to know what notice the Committee had failed to file. He stated he would respond as soon as possible.

On January 30, 1995 the Committee responded by letter (Attachment 6). The treasurer stated that the loan had been inadvertently omitted and that the omission was an isolated instance. He also stated that care has been taken in order to eliminate the possibility of the incident happening again.

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CANDIDATE/COMMITTEE/DOCUMENT	OFFICE SOUGHT/	PARTY	RECEIPTS		DISBURSEMENTS		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
			PRIMARY	GENERAL	PRIMARY	GENERAL			

CASTRO, BERNADETTE	SENATE	REPUBLICAN PARTY					NEW YORK	1994 ELECTION	ID# S4NY00065
1. STATEMENT OF CANDIDATE								2JUN94	1 94SEN/011/1499
1994 STATEMENT OF CANDIDATE									
2. PRINCIPAL CAMPAIGN COMMITTEE									
FRIENDS OF BERNADETTE CASTRO								ID #C00294710	SENATE
1994 STATEMENT OF ORGANIZATION								2JUN94	3 94SEN/011/1501
STATEMENT OF ORGANIZATION - AMENDMENT								13JUL94	3 94SEN/012/0854
48 HOUR CONTRIBUTION NOTICE								31AUG94	2 94SEN/018/0670
48 HOUR CONTRIBUTION NOTICE								6SEP94	1 94SEN/018/3085
48 HOUR CONTRIBUTION NOTICE								12SEP94	2 94SEN/018/4435
48 HOUR CONTRIBUTION NOTICE								20OCT94	2 94SEN/024/2677
48 HOUR CONTRIBUTION NOTICE								26OCT94	2 94SEN/026/4260
48 HOUR CONTRIBUTION NOTICE								27OCT94	2 94SEN/027/1162
48 HOUR CONTRIBUTION NOTICE								31OCT94	2 94SEN/028/0856
48 HOUR CONTRIBUTION NOTICE								3NOV94	3 94SEN/028/2315
48 HOUR CONTRIBUTION NOTICE								7NOV94	2 94SEN/028/3663
JULY QUARTERLY			112,593		31,602			24MAY94 -30JUN94	44 94SEN/013/4174
JULY QUARTERLY - AMENDMENT			-		-			24MAY94 -30JUN94	6 94SEN/018/0940
JULY QUARTERLY - AMENDMENT			-		-			24MAY94 -30JUN94	5 94SEN/028/3564
REQUEST FOR ADDITIONAL INFORMATION								24MAY94 -30JUN94	3 94FEC/917/1497
PRE-PRIMARY			281,965		150,727			1JUL94 -24AUG94	128 94SEN/018/0313
PRE-PRIMARY - AMENDMENT			281,965		150,727			1JUL94 -24AUG94	125 94SEN/028/3439
REQUEST FOR ADDITIONAL INFORMATION								1JUL94 -24AUG94	4 94FEC/936/5190
OCTOBER QUARTERLY			134,284		195,763			25AUG94 -30SEP94	97 94SEN/021/0295
OCTOBER QUARTERLY - AMENDMENT			134,284		195,763			25AUG94 -30SEP94	3 94SEN/028/3569
OCTOBER QUARTERLY - AMENDMENT								-25AUG94 -30SEP94	8 95SEN/001/3352
REQUEST FOR ADDITIONAL INFORMATION								25AUG94 -30SEP94	7 95FEC/956/3085
PRE-GENERAL				370,769	480,699			1OCT94 -19OCT94	45 94SEN/025/4308
PRE-GENERAL - AMENDMENT				370,769	480,699			1OCT94 -19OCT94	3 94SEN/028/3572
PRE-GENERAL - AMENDMENT								- 1OCT94 -19OCT94	6 95SEN/001/3346
REQUEST FOR ADDITIONAL INFORMATION								1OCT94 -19OCT94	4 95FEC/956/3081
POST-GENERAL			674,847		711,658			20OCT94 -28NOV94	61 94SEN/029/1998
POST-GENERAL - AMENDMENT								-20OCT94 -28NOV94	3 95SEN/001/3343
1'ST LETTER INFORMATIONAL NOTICE								20OCT94 -28NOV94	2 95FEC/956/3092
YEAR-END				8,209	11,452			29NOV94 -31DEC94	16 95SEN/002/3646
TOTAL			528,842	1,053,825	378,092	1,203,809			594 TOTAL PAGES
3. AUTHORIZED COMMITTEES									
4. JOINT FUNDRAISING COMMITTEES AUTHORIZED BY THE CAMPAIGN									

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All reports except the 1994 Year End Report have been reviewed.

Cash on Hand as of 12/31/94: \$765.72

Debts and obligations owed to the Committee as of 12/31/94: \$4,800.00

Debts and obligations owed by the Committee as of 12/31/94: \$1,102,397.69

GENERAL ELECTION
REPORT NOTICE

Attachment #2

FEDERAL ELECTION COMMISSION

CONGRESSIONAL COMMITTEES

October 3, 1994

1994 GENERAL ELECTION CANDIDATE COMMITTEES

REPORT	REPORTING PERIOD*	REG./CERT. MAILING DATE**	FILING DATE
Pre-General	10/01/94 - 10/19/94	10/24/94	10/27/94
Post-General	10/20/94 - 11/28/94	12/08/94	12/08/94

WHO MUST FILE

All 1994 general election principal campaign committees of congressional candidates (including unopposed candidates) who seek election in the November 8, 1994, General Election must file the Pre- and Post-General Election Reports. 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 32 and attach the report(s) of the authorized committee(s).

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 October 20 through November 5. The notices must reach the appropriate federal and state filing offices within 48 hours of the committee's receipt of the contribution(s).

LABEL

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

COMPLIANCE

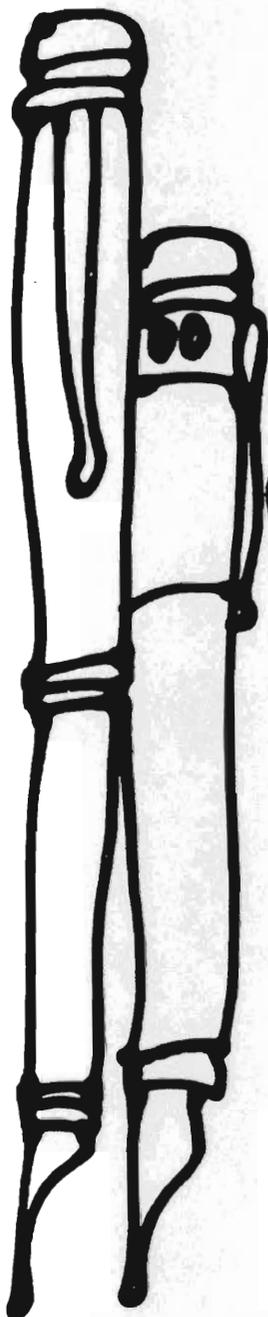
TREASURERS ARE RESPONSIBLE FOR FILING ALL REPORTS AND 48 HOUR NOTICES ON TIME. FAILURE TO DO SO IS SUBJECT TO ENFORCEMENT ACTION. COMMITTEES USING NON-FEC FORMS FOR REPORTS OR FILING ILLEGIBLE REPORTS OR NOTICES WILL BE REQUIRED TO REFILE.

*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.

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

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

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SCHEDULE C
(Form 990)

LOANS

Page 2 of 4
LINE NUMBER
List separate schedules
to each numbered line.

Name of Contributor (in Full)			
FRIENDS OF BUCKLEUP SEATTLE A. Full Name, Mailing Address and ZIP Code of Loan Source Friends of Buckleup Seattle 4000 1st Ave S Seattle, WA 98148			
Original Amount of Loan 35,750.00	Cumulative Payments To Date - - -	Balance Outstanding at Close of This Period 35,750.00	
Date Incurred: 12/1/11 Date Due: 12/1/12 Interest Rate: 0% (Cap) Secured			
List All Endorsees or Guarantors (if any) to Item A (From Friends of Buckleup Seattle)			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	[Shaded Area]	[Shaded Area]
	Occupation		
	Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer	[Shaded Area]	[Shaded Area]
	Occupation		
	Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer	[Shaded Area]	[Shaded Area]
	Occupation		
	Amount Guaranteed Outstanding \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source Friends of Buckleup Seattle 4000 1st Ave S Seattle, WA 98148			
Original Amount of Loan 14,750.00	Cumulative Payments To Date - - -	Balance Outstanding at Close of This Period 14,750.00	
Date Incurred: 12/1/11 Date Due: 12/1/12 Interest Rate: 0% (Cap) Secured			
List All Endorsees or Guarantors (if any) to Item B (From Friends of Buckleup Seattle)			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	[Shaded Area]	[Shaded Area]
	Occupation		
	Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer	[Shaded Area]	[Shaded Area]
	Occupation		
	Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer	[Shaded Area]	[Shaded Area]
	Occupation		
	Amount Guaranteed Outstanding \$		
SUBTOTALS This Period This Page (enter)		36,750.00	
TOTALS This Period (fill page in this line only)		1,000,000.00	

94020292035

Copy instructions relative only to LINE C, Schedule A, for this form. If on Schedule B, copy entries to appropriate line of Summary.



FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20543

Attachment #4

EO-5

B. Edgar Cosman, Treasurer
Friends of Bernadette Castro
1990 Jericho Turnpike
New Hyde Park, NY 11040

Identification Number: C00296710

Reference: 30 Day Post-General Report (10/20/94-11/20/94)

Dear Ms. Cosman:

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 30 Day Post-General report. A principal campaign committee must notify the Commission, in writing, within 48 hours of any contribution of \$1,000 or more received between 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 committee has the right to provide concerning this matter.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Secretary of the Senate, 303 Hart Senate Office Building, Washington, DC 20510 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) 434-9530. My local number is (202) 219-3500.

Sincerely,
Pat Sheppard

Pat Sheppard
Senior Reports Analyst
Reports Analysis Division

**FRIENDS OF BERNADETTE CASTRO
REPORTS ANALYSIS OGC REFERRAL
PAGE 2**

**ATTACHMENT # 5
PAGE 1 OF 1**

**MEMORANDUM TO FILES:
XX Telecon
Visit**

DATE: January 24, 1995

NAME OF THE COMMITTEE: Friends of Bernadette Castro (Senate-NY)

SUBJECT: January 13, 1995 letter

FEC REP: Pat Sheppard

COMMITTEE REP: Russ Vail (516) 747-0110

Mr. Vail called because he had received several letters and he wanted to talk about one in particular. He wanted to know what notice the committee had failed to file on the 1994 30 Day Post-General report. I explained that one of the loans received from the candidate had not been disclosed on a 48 Hour Notice. He stated that he would check into the matter and respond as soon as possible.

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Friends of Bernadette Castro
199C Jericho Turnpike
New Hyde Park, New York 11040

U.S. SENATE
EACS

JUN 30 AM 11:34

January 24, 1995

Secretary of the Senate
135 West Senate Office Building
Washington, D.C. 20510

Attn: Pat Sheppard
Senior Reports Analyst
Report Analysis Division

Identification Number: C00294710

Reference: 30 Day Post-General Report
(10/20/94 - 11/28/94)

Dear Ms. Sheppard:

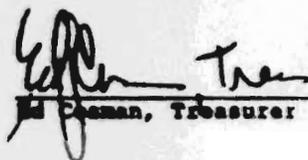
This letter is in response to your above referenced letter (a copy of which is attached).

A review of our 30 Day Post-General Report shows that there were nineteen (19) separate receipts for \$1,000.00 or more from October 20, 1994 through November 8, 1994 (election day). Eighteen of the nineteen receipts were reported on a 48 Hour Notice of Contributions/Loans Received FEC Form 6 during this period. However one receipt from the candidate made on October 28, 1994 was inadvertently omitted from the filing of a 48 Hour Notice Report.

The above omission was an isolated instance and extreme care will be exercised in the future in order to eliminate the possibility of this recurring.

We hope that this information adequately responds to your January 13, 1995 letter. Thank you for your cooperation in this matter.

Very truly yours,


Ed Chanman, Treasurer

EC:kt
Encl.

95020013343

REC'D
FEDERAL ELECTION
COMMISSION

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

JUN 13 11 58 AM '95

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

RAD Referral: 95L-04
Date Activated: May 31, 1995

Staff Member: Colleen Behan

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

RESPONDENTS: The Friends of Bernadette Castro Committee
and E. Edgar Cosman, as treasurer (95L-04)

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

I. GENERATION OF MATTER

The Office of the General Counsel received referral from the Reports Analysis Division ("RAD") pertaining to the Friends of Bernadette Castro Committee on February 23, 1995

The basis for referral is: the failure by the Friends of Bernadette Castro Committee and E. Edgar Cosman, as treasurer, to file one forty-eight hour notification ("48 Hour Notice") concerning a contribution in the form of a candidate loan

The candidate loan for the Friends of Bernadette Castro Committee was in the amount of \$352,810. The candidate, Bernadette Castro, lost the November 8, 1994 General Election

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for the United States Senate in the State of New York with forty-one and eight tenths of one percent (41.8%) 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).

II. FACTUAL AND LEGAL ANALYSIS

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

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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IV. RECOMMENDATIONS

1. Open a MUR for RAD Referral 95L-4.
2. Find reason to believe that the Friends of Bernadette Castro Committee and E. Edgar Cosman, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), and enter into conciliation prior to a finding of probable cause to believe.
- 3.

4.

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

Lawrence M. Noble
General Counsel

Date 6/16/95 BY:


Lois G. Lerner
Associate General Counsel

96043721590



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

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

DATE: JUNE 22, 1995

SUBJECT: RAD REFERRAL 95L-4 - FIRST GENERAL COUNSEL'S
REPORT DATED JUNE 16,
1995.

The above-captioned document was circulated to the Commission on Monday, June 19, 1995 at 4:00.

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 McDonald	<u>XXX</u>
Commissioner McGarry	<u> </u>
Commissioner Potter	<u> </u>
Commissioner Thomas	<u> </u>

This matter will be placed on the meeting agenda for Tuesday, June 27, 1995.

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

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4.

5. Approve the Factual and Legal Analyses, proposed conciliation agreements, and the appropriate letters as recommended in the General Counsel's June 16, 1995 report.

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

Attest:

6-30-95
Date

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

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 12, 1995

The Friends of Bernadette Castro
Committee and E. Edgar Cosman, Treasurer
P.O. Box 7875
Pasadena, TX 77508

Re: MUR 4229
The Friends of Bernadette
Castro Committee and E. Edgar
Cosman, Treasurer

Dear Mr. Cosman:

On June 27, 1995, the Federal Election Commission found that there is reason to believe that the Friends of Bernadette Castro 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.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

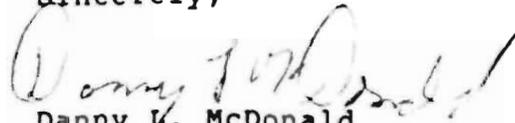
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 Colleen Behan, the staff member assigned to this matter, at (202) 501-7133.

Sincerely,


Danny L. McDonald
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

cc: Bernadette Castro

9 6 0 4 3 7 2 1 5 3 5

FEDERAL ELECTION COMMISSION
FACTUAL & LEGAL ANALYSIS

RESPONDENTS: The Friends of Bernadette Castro
Committee and E. Edgar Cosman, as Treasurer
MUR: 4229

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).

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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.

The General Election in the state of New York was held on November 8, 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 October 20 through November 5, 1994, within 48 hours of their receipt. A review of the Committee's 1994 30 Day Post-General Report identified one contribution received on October 28, 1994, totaling \$352,810. The contribution was reported on Schedules A and C, as a loan to the Committee from the personal funds of the candidate, Bernadette Castro. The Committee did not submit a 48 Hour Notice for this contribution.

Therefore, there is reason to believe that the Friends of Bernadette Castro Committee and E. Edgar Cosman, as treasurer, violated 2 U.S.C. § 434(a)(6)(A) by failing to report a campaign contribution of \$1,000 or more, received after the 20th day, but more than 48 hours before the general election, within 48 hours of receipt of the contribution.

9 6 0 4 3 7 2 1 5 8 7

KWIATKOWSKI & RYAN

ATTORNEYS AT LAW
131 TULIP AVENUE
FLORAL PARK, N. Y. 11001
(516) 354-1900

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

JUL 31 10 17 AM '95

THOMAS J. KWIATKOWSKI
JOHN E. RYAN

July 28, 1995

FAX NUMBER
(516) 354-0814

JOHN O. BRENNAN

JUL 31 10 21 AM '95
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

BY MAIL AND FAX TO (202) 219-3923

Ms. Colleen Behan
Federal Election Commission
Office of the General Counsel
999 E Street N.W.
Washington, D.C. 20463

Re: MUR # 4229

Dear Ms. Behan:

Pursuant to our telephone conversation on July 26, 1995, this will confirm that our client, the respondent, has until August 4, 1995, to submit a response to your office's notification letter in the above-noted matter.

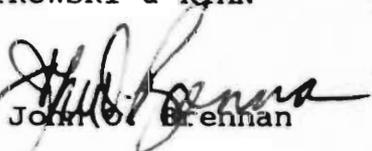
Also pursuant to our telephone conversation, this will confirm that we anticipate making a request for extension of time to submit a response.

Thank you for your consideration and cooperation.

Very truly yours,

KWIATKOWSKI & RYAN

By:


John O. Brennan

JOB:eb

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01/15 '00 03:21

ID:LANIERFAX3800

FAX:

PAGE 2

NTS UPKHP CMSR. CASTRO TEL:518-474-1365

Jul 26 95

10:52 No.002 P.02

01/14 '00 23:44

ID:LANIERFAX3800

FAX:

PAGE 2

NAME OF COUNSEL: John E. Ryan, Esq. JAMESCHUCKY A. RYAN

PAGE 2

ADDRESS: 122 Tenth Avenue

Floral Park, NY 11001

TELEPHONE: (516) 894-1994

Jul 26 1 55 PM '95

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

July 28, 1995
DATE

Bernadette Castro
Signature

RESPONDENT'S NAME: Bernadette Castro
ADDRESS: Quail Hill Road
Lloyd Harbor, NY 11743
HOME PHONE: _____
BUSINESS PHONE: (518) 474-0463

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KWIATKOWSKI & RYAN

ATTORNEYS AT LAW

131 TULIP AVENUE

FLORAL PARK, N. Y. 11001

(516) 354-1900

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL COUNSEL

AUG 3 11 39 AM '95

THOMAS J. KWIATKOWSKI
JOHN E. RYAN

July 31, 1995

FAX NUMBER
(516) 354-0814

JOHN O. BRENNAN

BY MAIL AND FAX TO (202) 219-3923

Ms. Colleen Behan
Federal Election Commissioner
Office of General Counsel
999 E Street N.W.
Washington, D.C. 20463

Re: Bernadette Castro MUR # 4229

Dear Ms. Behan:

As you are aware, I have been requested to represent Bernadette Castro in connection with this matter. Enclosed is the original counsel designation form executed by our client.

As we previously advised, the F.E.C. letter, dated July 12, 1995, was sent to a post office box in Texas and was not forwarded to me until July 20, 1995. In addition, I was on vacation last week and, therefore, unable to review this matter with our client.

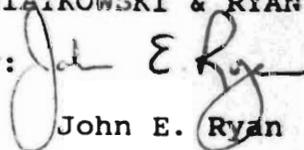
Accordingly, it is requested that we be given an extension of time to respond from August 4, 1995 to and including August 22, 1995.

Thank you for your consideration.

Very truly yours,

KWIATKOWSKI & RYAN

By:


John E. Ryan

JER:cb
Enc.

96043721590



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 2, 1995

Mr. John E. Ryan, Esq.
Kwiatkowski & Ryan
131 Tulip Avenue
Floral Park, NY 11001

RE: MUR 4229
The Friends of Bernadette
Castro Committee, and E. Edgar
Cosman, as Treasurer

Dear Mr. Ryan:

This is in response to your letter dated July 31, 1995, which we received via fax on July 31, 1995, requesting an extension of nineteen days to respond to the Commission's reason to believe determinations as regards the above-cited clients. After considering the circumstances presented in your letter, the Federal Election Commission has granted the requested extension. Accordingly, your response is due by the close of business on Wednesday, August 23, 1995.

If you have any questions, please contact me at (202) 501-7133.

Sincerely,


Colleen M. Behan
Staff Member

96043721591

KWIATKOWSKI & RYAN

ATTORNEYS AT LAW

131 TULIP AVENUE

FLORAL PARK, N. Y. 11001

(516) 354-1900

THOMAS J. KWIATKOWSKI
JOHN E. RYAN

JOHN O. BRENNAN

August 21, 1995

FAX NUMBER
(516) 354-0814

BY FAX TO (202) 219-3963 and MAIL

Ms. Abigail Shaine
Federal Election Commission
Office of General Counsel
99 East Street N.W.
Washington, D.C. 20463

Re: MUR No. 4229
Bernadette Castro

Dear Ms. Shaine:

I attempted to reach Colleen Behan, but was advised that she had completed her assignment with your office. Pursuant to her letter of August 2, 1995, we are to file a response by August 23, 1995.

I have undertaken an investigation of this matter. Unfortunately, due to vacation schedules, I have not been able to complete this process and, therefore, am requesting an additional three (3) weeks to do so.

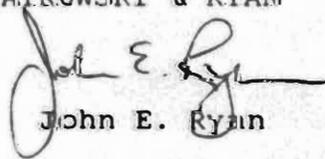
In addition, in view of the prior correspondence in this matter, it is requested that the individual handling this file, call to discuss the terms of the proposed conciliation agreement.

Thank you for your consideration.

Very truly yours,

KWIATKOWSKI & RYAN

By:



John E. Ryan

JER:pm

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 21 11 30 AM '95

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1995

VIA FACSIMILE (516)-354-0814 & FIRST CLASS MAIL

John E. Ryan, Esquire
Kwiatkowski & Ryan
131 Tulip Avenue
Floral Park, New York 11001

RE: MUR 4229
Friends of Bernadette Castro
and E. Edgar Cosman, as treasurer

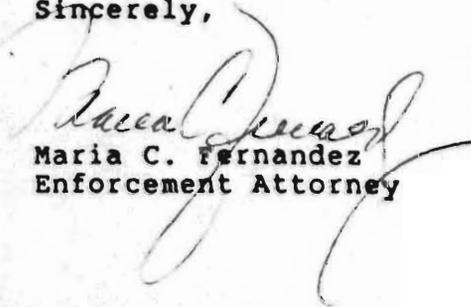
Dear Mr. Ryan:

This is in response to your letter dated August 21, 1995, which was received in this Office by facsimile on the same day. Your letter requests an additional extension of 21 days (three weeks) to respond to the Commission's reason to believe determinations with regard the above-cited Respondents. This represents your second request for an extension of time.

Considering the Federal Election Commission's responsibilities to act expeditiously in the conduct of investigations, the Office of the General Counsel cannot grant your full request, but can only agree to a two-week extension (fourteen days). Accordingly, the response is due by close of business on September 5, 1995.

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

Sincerely,


Maria C. Fernandez
Enforcement Attorney

96043721593

STATEMENT OF DESIGNATION OF COUNSEL

**SUBSTITUTION OF COUNSEL FOR THE FIRM OF
KWIATKOWSKI and RYAN, ESQ'S**

NR 4229

NAME OF COUNSEL: Gentile and Ciampoli (John Ciampoli, Esq.)

ADDRESS: 1461 Franklin Avenue

Garden City, New York 11530

516 739 2041

TELEPHONE: FAX 516 739 3256

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

September 1, 1995
Date

Bernadette Castro
Signature

RESPONDENT'S NAME: Friends of Bernadette Castro (E. Cosman, Treas.)

ADDRESS: 1990 Jericho Turnpike

New Hyde Park, New York 11040

HOME PHONE: _____

BUSINESS PHONE: _____

96043721574

PATTON BOGGS, L.L.P.
2550 M STREET, N.W.
WASHINGTON, D.C. 20037-1350
(202) 457-6000

FACSIMILE: (202) 457-6315

WRITER'S DIRECT DIAL

(202) 457-6405

October 24, 1995

Maria Fernandez, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

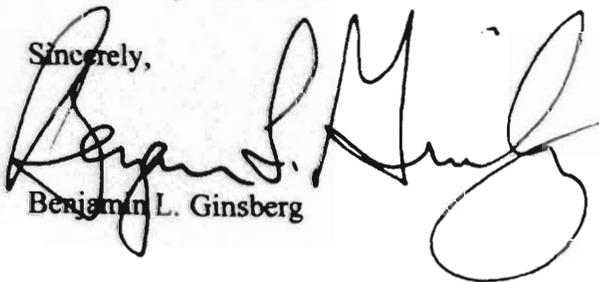
Re: MUR 4229

Dear Ms. Fernandez:

Enclosed for filing is the Designation of Counsel form signed in the original by the Respondent, Bernadette Castro.

I look forward to hearing from you so that we may discuss this matter.

Sincerely,



Benjamin L. Ginsberg

Oct 24 3 04 PM '95

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

96043721595

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4229

NAME OF COUNSEL: Benjamin L. Ginsberg

ADDRESS: Patton, Boggs & Blow

2550 M Street, N.W.

Washington, D.C. 20037

TELEPHONE: (202) 457-6000

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Oct 24 3 04 PM '95

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

October 23, 1995

Date

Bernadette Castro

Signature

RESPONDENT'S NAME: Bernadette Castro

ADDRESS: Friends of Bernadette Castro
1990 Jericho Turnpike

New Hyde Park, New York 11040

HOME PHONE: _____

BUSINESS PHONE: (518) 474-0463

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Bernadette Castro

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OFFICE OF GENERAL
COUNSEL
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Ms. Maria Fernandez
Office of the General Consul
Federal Election Commission
Washington, D.C. 20463

October 24, 1995

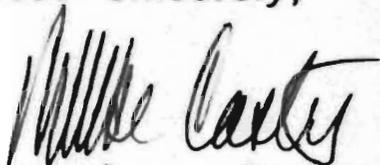
RE: MUR 4229

Dear Ms. Fernandez:

As the form filed with you yesterday indicates,
Benjamin Ginsberg is now my consul of record for this
matter. Please direct all further communication to him.

Thank you so much for your cooperation in this matter.

Most sincerely,


Bernadette Castro

Quail Hill Road
Lloyd Harbor, Long Island, NY 11743

96043721597

PATTON BOGGS, L.L.P.
2550 M STREET, N.W.
WASHINGTON, D.C. 20037-1350
(202) 457-6000
FACSIMILE: (202) 457-6315

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OFFICE OF GENERAL
COUNSEL

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WRITER'S DIRECT DIAL
(202) 457-6405

January 11, 1996

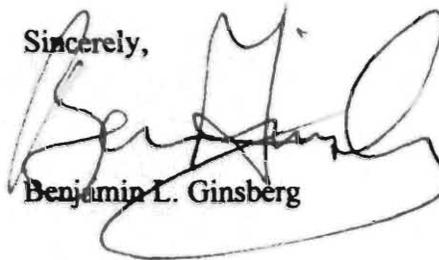
Ms. Anne Weissenborn
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Bernadette Castro

Dear Ms. Weissenborn:

Here is the signed Conciliation Agreement and first payment on behalf of Ms. Castro. Please call if you have any questions.

Sincerely,



Benjamin L. Ginsberg

BLG/jmt

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF THE GENERAL
COUNSEL

JAN 19 1996 PM 35

JANUARY 19, 1996

TWO WAY MEMORANDUM

TO: OGC Docket

FROM: Rosa E. Swinton Accounting Technician
Leslie D. Brown Disbursement Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from FRIENDS OF BERNADETTE CASTRO, check number 1314, dated JANUARY 15, 1996, for the amount of \$ 9,000.00. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton Accounting Technician
Leslie D. Brown Disbursement Technician

FROM: OGC Docket By aa

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$9,000.00, the MUR/Case number is 4209 and in the name of The Friends of Bernadette Castro Cmte.. Place this deposit in the account indicated below:

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

Anita Alexander
Signature

1-19-96
Date

96043721509

1314

FRIENDS OF BERNADETTE CASTRO

DATE Jan 15, 1996 ¹⁻¹⁴⁸⁹³/₂₈₀

PAY TO THE ORDER OF United State Treasury

\$ 9,000⁰⁰/₁₀₀

Nine thousand

00 DOLLARS 

EAB 15 Southdown Rd.
Huntington, NY 11743

Mike Castro

FOR FEC Initial Prod

⑈001314⑈ ⑆028001489⑆ 093⑈00117 0⑈

9 6 0 4 3 2 1 6 0 0

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

JAN 29 10 25 AM '96

SENSITIVE

In the Matter of)

Friends of Bernadette Castro Committee)
E. Edgar Cosman, as treasurer)

MUR 4229

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by
Bernadette Castro.

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II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with the Friends of Bernadette Castro Committee and E. Edgar Cosman, as treasurer.
2. Close the file in this matter.
3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

Date 1/26/96

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

1. Conciliation Agreement
2. Photocopy of first installment of civil penalty
3. Counsel's Response dated November 6, 1995

Staff Assigned: Anne Weissenborn

96043721602

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Friends of Bernadette Castro) MUR 4229
Committee and E. Edgar Cosman, as)
treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 1, 1996, the Commission decided by a vote of 5-0 to take the following actions in MUR 4229:

1. Accept the conciliation agreement with the Friends of Bernadette Castro Committee and E. Edgar Cosman, as treasurer, as recommended in the General Counsel's Report dated January 26, 1996.
2. Close the file in this matter.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated January 26, 1996.

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

Attest:

2-1-96
Date

Delores Hardy
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Mon.,	Jan. 29, 1996	10:25 a.m.
Circulated to the Commission:	Mon.,	Jan. 29, 1996	4:00 p.m.
Deadline for vote:	Thurs.,	Feb. 01, 1996	4:00 p.m.

bjr

96043721603



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 5, 1996

Benjamin L. Ginsberg, Esquire
Patton Boggs, L.L.P.
2550 M Street, NW
Washington, DC 20037

RE: MUR 4229
Friends of Bernadette Castro Committee
and E. Edgar Cosman, as treasurer

Dear Mr. Ginsberg:

On February 1, 1996, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 434(a)(6)(A). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

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 me at (202) 219-3690.

Sincerely,

Clinett Short
Paralegal

Enclosure
Conciliation Agreement

9 5 0 4 3 2 1 6 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

The Friends of Bernadette Castro Committee)
and E. Edgar Cosman, as treasurer)

MUR 4229

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Friends of Bernadette Castro Committee, and E. Edgar Cosman, as treasurer, ("Respondents") violated 2 U.S.C. § 434(a)(6)(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:

9 6 0 4 3 7 2 1 6 0 5

1. The Friends of Bernadette Castro Committee is a political committee within the meaning of 2 U.S.C. § 431(4), and is the authorized principal campaign committee for Bernadette Castro's 1994 congressional campaign.

2. E. Edgar Cosman is the treasurer of the Friends of Bernadette Castro Committee.

3. 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, 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).

4. 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 it remains unpaid.

5. During the 1994 General Election, the Respondents were required to report contributions of \$1,000 or more received between October 10 and November 6, 1994, inclusive, within 48 hours of receipt of the contribution.

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6. On October 28, 1994, the Respondents received a contribution of \$1,000 or more (in the form of a loan) totaling \$352,810.

7. The contribution was first reported on Schedules A and C of the 1994 30 Day Post-General Report as a loan to the Committee from the personal funds of the candidate, Bernadette Castro.

8. The Respondents did not submit a 48 Hour Notice for this contribution.

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

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of twenty-two thousand dollars (\$22,000), pursuant to 2 U.S.C. § 437g(a)(5)(A), such penalty to be paid as follows:

1. An initial payment of \$9,000 due with the submission of Respondents' signed Conciliation Agreement;

2. Thereafter, beginning on March 1, 1996, five consecutive monthly installment payments of \$2,600 each;

3. Each such installment shall be paid on the first day of the month in which it becomes due;

4. In the event that any installment payment is not received by the Commission by the fifth day of the month in which it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the Respondents. Failure by the Commission to

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accelerate the payments with regard to any overdue installment shall not be construed as a waiver of its right to do so with regard to future overdue installments.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 4337(g)(A)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

IX. 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.

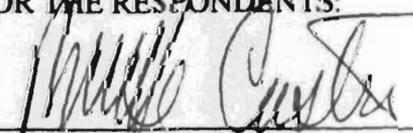
FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner

2/5/96
Date

FOR THE RESPONDENTS:


(Name)
(Position)

1/4/96
Date

96043721608



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4229

DATE FILMED 2/27/96 CAMERA NO. 4

CAMERAMAN EES.

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