FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4237

DATE FILMED 12-12-95 CAMERA NO. 2

CAMERAMAN JMW

9 5 0 4 3 7 0 1 3 1 4

**REPORTS ANALYSIS REFERRAL**

**TO**

**OFFICE OF THE GENERAL COUNSEL**

**DATE:** APR 3 1995

**ANALYST:** Nick Federspiel

**I. COMMITTEE:** Mehiel for Congress '94
(C00292433)
Stuart Wadler, Treasurer
(May 10, 1994 to Present)
Elizabeth H. Lally, Treasurer
(April 1, 1994-May 9, 1994)
2080 Allan Avenue
Yorktown Heights, NY 10598

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

**III. BACKGROUND**

**Failure to File 48-Hour Notifications**

Mehiel for Congress '94 ("the Committee") has failed to file 48-Hour Notifications ("48-Hour Notices") for candidate loans totaling $52,000 received prior to the 1994 New York Primary Election.

The candidate was involved in the 1994 New York Primary Election held on September 13, 1994. Prior Notice was sent to the Committee on August 8, 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 August 25 through September 10. The notices must reach the appropriate federal and state filing offices within 48 hours of the committee's receipt of the contribution(s)."

Schedule A of the October Quarterly Report indicates that the Committee has failed to file 48-Hour Notices for candidate loans totaling $52,000 received during the aforementioned period (Attachment 3). The following is a list of the candidate loans for which no 48-Hour Notices were filed:

95043701315

| Contributor Name | Date | Amount |
|---|---|---|
| Dennis Mehiel | 8/29/94 | $10,000 |
| (personal funds) | 9/06/94 | $20,000 |
| | 9/08/94 | $22,000 |

On February 17, 1995, an Informational Notice ("IN") was sent to the Committee (Attachment 4). The notice notes 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 IN requests the Committee to review their procedures for checking contributions received during the aforementioned time period. Additionally, the IN states that although the Commission may take legal action, any response would be taken into consideration.

On March 3, 1995, the Committee responded to the Informational Notice (Attachment 5). The Committee offers the following explanation: "These deposits were made to the campaign account under transfer authorization of the candidate from personal funds. The information was not available to be reported until the bank advice was received by mail several days latter (sic)".

On several occasions, the Committee and the Reports Analysis Division analyst discussed the IN sent on February 17, 1995 (Attachment 6). Conversations were held February 22, March 1, and March 7, 1995.

9504370316

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

ATTACHMENT# 1

DATE 31MAR95



| CANDIDATE/COMMITTEE/DOCUMENT | OFFICE SOUGHT/ | PARTY | RECEIPTS PRIMARY | RECEIPTS GENERAL | DISBURSEMENTS PRIMARY | DISBURSEMENTS GENERAL | COVERAGE DATES | # OF PAGES | MICROFILM LOCATION |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TYPE OF FILER | | |
| MENIEL, DENNIS | HOUSE 19 | DEMOCRATIC PARTY | | | | NEW YORK | 1994 ELECTION | ID# H8NY20049 | |
| 1. STATEMENT OF CANDIDATE | | | | | | | | | |
| 1994 STATEMENT OF CANDIDATE | | | | | | | 11APR94 | 1 | 94HSE/516/1763 |
| 2. PRINCIPAL CAMPAIGN COMMITTEE | | | | | | | | | |
| MENIEL FOR CONGRESS 94 | | | | | | | ID #C00292433 HOUSE | | |
| 1994 STATEMENT OF ORGANIZATION | | | | | | | 11APR94 | 1 | 94HSE/516/1760 |
| STATEMENT OF ORGANIZATION - AMENDMENT | | | | | | | 13MAY94 | 1 | 94HSE/522/2496 |
| STATEMENT OF ORGANIZATION - AMENDMENT | | | | | | | 21JUL94 | 1 | 94HSE/534/1135 |
| 48 HOUR CONTRIBUTION NOTICE | | | | | | | 1SEP94 | 1 | 94HSE/537/3919 |
| 48 HOUR CONTRIBUTION NOTICE | | | | | | | 1SEP94 | 1 | 94HSE/537/3918 |
| 48 HOUR CONTRIBUTION NOTICE | | | | | | | 7SEP94 | 1 | 94HSE/538/3710 |
| 48 HOUR CONTRIBUTION NOTICE | | | | | | | 9SEP94 | 1 | 94HSE/539/0578 |
| 48 HOUR CONTRIBUTION NOTICE | | | | | | | 9SEP94 | 1 | 94HSE/539/0577 |
| JULY QUARTERLY | | | 290,090 | | 232,075 | | 1APR94 -30JUN94 | 50 | 94HSE/532/2195 |
| JULY QUARTERLY | | - AMENDMENT | 290,090 | | 232,075 | | 1APR94 -30JUN94 | 8 | 94HSE/539/3540 |
| REQUEST FOR ADDITIONAL INFORMATION | | | | | | | 1APR94 -30JUN94 | 3 | 94FEC/920/0006 |
| REQUEST FOR ADDITIONAL INFORMATION 2ND | | | | | | | 1APR94 -30JUN94 | 4 | 94FEC/923/4270 |
| PRE-PRIMARY | | | 231,046 | | 261,046 | | 1JUL94 -24AUG94 | 54 | 94HSE/538/1908 |
| PRE-PRIMARY | | - AMENDMENT | 231,046 | | 261,046 | | 1JUL94 -24AUG94 | 10 | 94HSE/539/3529 |
| REQUEST FOR ADDITIONAL INFORMATION | | | | | | | 1JUL94 -24AUG94 | 3 | 94FEC/924/2701 |
| OCTOBER QUARTERLY | | | 105,270 | | 130,764 | | 25AUG94 -30SEP94 | 37 | 94HSE/546/2948 |
| OCTOBER QUARTERLY | | - AMENDMENT | - | | - | | 25AUG94 -30SEP94 | 1 | 95HSE/572/2953 |
| 1'ST LETTER INFORMATIONAL NOTICE | | | | | | | 25AUG94 -30SEP94 | 2 | 95FEC/966/5211 |
| YEAR-END | | - TERMINATED | 68,735 | | 71,256 | | 10OCT94 -31DEC94 | 23 | 95HSE/568/2832 |
| TOTAL | | | 695,141 | 0 | 695,141 | 0 | | 203 | TOTAL PAGES |

3. AUTHORIZED COMMITTEES
4. JOINT FUNDRAISING COMMITTEES AUTHORIZED BY THE CAMPAIGN

ALL REPORTS HAVE BEEN REVIEWED.

ENDING CASH-ON-HAND AS OF 12/31/94: $0.00.

OUTSTANDING DEBTS AND OBLIGATIONS: $0.00.

9504370117

ATTACHMENT# 2

# PRIMARY ELECTION

# REPORT NOTICE

## FEDERAL ELECTION COMMISSION

NEW YORK
Congressional Committees

August 8, 1994

**FOR COMMITTEES INVOLVED IN THE PRIMARY (09/13)**

| REPORT | REPORTING PERIOD | REG./CERT. MAILING DATE* | FILING DATE |
|---|---|---|---|
| Pre-Primary | 07/01/94 - 08/24/94** | 08/29/94 | 09/01/94 |
| 48 Hour Notices | ----See Below---- | | |
| October Quarterly | 08/25/94 - 09/30/94 | 10/15/94 | 10/15/94 |

**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 August 25 through September 10. 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

95043701318

1994 OCTOBER QUARTERLY REPORT
ATTACHMENT# 3

SCHEDULE A — ITEMIZED RECEIPTS

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

PAGE 1 OF 1

FOR LINE NUMBER 11a

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 such contributions from such committee.

NAME OF COMMITTEE (in Full)
[illegible] PAC [illegible]
c/o Stuart Hoffler, Treasurer

FEC ID No. C00292433

| Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt this Period |
|---|---|---|---|
| A. Dennis Mahiel, 115 Stevens Avenue, Valhalla, NY 10595 — Receipt for: [X] Primary [ ] General [ ] Other (specify) | Fuse II Corp / Former CEO — Aggregate Year-To-Date $ | 08/29/94 | 10000.00 |
| B. Dennis Mahiel, 115 Stevens Avenue, Valhalla, NY 10595 — Receipt for: [X] Primary [ ] General [ ] Other (specify) | Fuse II Corp / Former CEO — Aggregate Year-To-Date $ | 09/06/94 | 20000.00 |
| C. Dennis Mahiel, 115 Stevens Avenue, Valhalla, NY 10595 — Receipt for: [X] Primary [ ] General [ ] Other (specify) | Fuse II Corp / Former CEO — Aggregate Year-To-Date $ | 09/08/94 | 22000.00 |
| D. Dennis Mahiel, 115 Stevens Avenue, Valhalla, NY 10595 — Receipt for: [X] Primary [ ] General [ ] Other (specify) | Fuse II Corp / Former CEO — Aggregate Year-To-Date $ | 09/27/94 | 12000.00 |
| E. Full Name, Mailing Address and ZIP Code — Receipt for: [ ] Primary [ ] General [ ] Other (specify) | Name of Employer / Occupation — Aggregate Year-To-Date $ | Date (month, day, year) | Amount of Each Receipt this Period |
| F. Full Name, Mailing Address and ZIP Code — Receipt for: [ ] Primary [ ] General [ ] Other (specify) | Name of Employer / Occupation — Aggregate Year-To-Date $ | Date (month, day, year) | Amount of Each Receipt this Period |
| G. Full Name, Mailing Address and ZIP Code — Receipt for: [ ] Primary [ ] General [ ] Other (specify) | Name of Employer / Occupation — Aggregate Year-To-Date $ | Date (month, day, year) | Amount of Each Receipt this Period |

| | |
|---|---|
| SUBTOTAL of Receipts This Page (optional) | 64000.00 |
| TOTAL This Period (last page this line number only) | 64000.00 |

95043701319

[redacted] ATTACHMENT# 4

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

RQ-5

Stuart Wadler, Treasurer
Mehiel for Congress '94
2000 Allen Avenue
Yorktown Heights, NY 10598

FEB 17 1995

Identification Number: C00292433

Reference: October Quarterly Report (8/25/94-9/30/94)

Dear Mr. Wadler:

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 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 response you wish to provide concerning this matter will be considered. (11 CFR §104.5(g))

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,

Nick Federspiel

Nick Federspiel
Reports Analyst
Reports Analysis Division

440

ATTACHMENT# 5

REGULAR MAIL

FEB 24 1995

Mahiel for Congress '94
Stuart Wadler, Treasurer
2080 Allen Avenue
Yorktown Heights, NY 10598

95 MAR 3

February 22, 1995

16>850

Clerk of the House of Representatives
1036 Longworth House Office Building
Washington, DC 20515

Attn: Nick Federspiel
Reports Analyst

Dear Mr. Federspiel,

I wish to clarify information which was reported in the October quarterly report (8/25/94 - 9/26/94) as per your letter of February 17, 1995.

The items not reported within the required 48 hour notice are as follows with an explanation as to why they were erroneously not reported in a timely fashion as required:

a) Loans from Candidate - 8/29/94 $10,000.00
9/ 6/94 20,000.00
9/ 8/94 22,000.00

These deposits were made to the campaign account under transfer authorization of the candidate from personal funds. The information was not available to be reported until the bank advice was received by mail several days latter.

b) In-Kind receipts - 9/ 6/94
Norman Jacknis $ 1,000.00
Anne Jacknis 1,000.00

These in-kind receipts were not reported due to the fact they only came to light when requesting the invoice from Mr. Jacknis for his services rendered to the campaign. At that time Mr. Jacknis and his wife graciously contributed the in-kind amounts reported on the quarterly report.

If you have any questions regarding the above data, please contact me and I will gladly respond to the questions.

Very truly yours,

Stuart Wadler
Treasurer

95020315732

TELECON
MENIEL FOR CONGRESS '94

Committee Representative: Treasurer Stuart Wedler

RAD Representative: Analyst Nick Federspiel

February 22, 1995
Treasurer phoned analyst to say that the Committee plans to submit a response to the Informational Notice sent February 17, 1995.

March 1, 1995
Treasurer phoned analyst to ask if an amendment to the October Quarterly Report has been received. Analyst said the amendment has not been received (analyst agreed to call committee when the amendment has been received). Treasurer, noting that the Informational Notice mentions 11 CFR $104.5(f), asked if 104.5(f) itemizes possible legal enforcement actions. Analyst said that 104.5(f) does not itemize possible legal enforcement actions. Analyst reminded treasurer that although the Commission may take legal action, any response the Committee provided concerning this matter will be considered.

March 7, 1995
Analyst phoned treasurer to inform the Committee that the amendment to the October Quarterly Report has been received, and that RAD is in the process of reviewing the response.

9504370132 2

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

June 30, 1995

Stuart Wadler
Mehiel for Congress 94
2080 Allan Ave.
Yorktown Heights, NY 10598

RE: Mehiel for Congress 94
and Stuart Wadler,
Treasurer

Dear Mr. Wadler:

This is in regard to your request that the Federal Election Commission permit the Mehiel for Congress 94 ("Committee") to terminate pursuant to 2 U.S.C. § 433(d) and Section 102.3 of the Commission's Regulations. The Reports Analysis Division has referred the Committee to the Office of General Counsel for possible enforcement action. Therefore, you termination request has been denied.

The Committee must continue to file all the required reports with the Commission until this matter has been resolved. The Commission will notify you when your request to terminate has been granted and the Committee is no longer required to file reports with the Commission. If you have any questions, please contact Alva Smith at (202) 219-3690.

Sincerely,

Mary Taksar

Mary Taksar
Attorney

cc: Reports Analysis Division

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

95043701723

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FEDERAL ELECTION
COMMISSION
SECRETARIAT

Jul 24 9 35 AM '95

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

**FIRST GENERAL COUNSEL'S REPORT**

SENSITIVE

RAD Referral: 95L-7
Date Activated: June 28, 1995

Staff Members: Tracey Ligon
Angelene Thomas

SOURCE: INTERNALLY GENERATED

RESPONDENTS: Mehiel for Congress '94 and
Stuart Wadler, as Treasurer

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

## I. GENERATION OF MATTER

The Office of the General Counsel received a referral from the Reports Analysis Division ("RAD") on April 4, 1995. See Attachment 1. The basis for the referral is the failure of the Mehiel for Congress '94 committee and Stuart Wadler, as treasurer, ("Respondents") to file forty-eight hour notifications ("48 Hour Notices") for three contributions totaling $52,000. Dennis Mehiel lost the 1994 Primary Election in the 19th Congressional District in the state of New York with twenty-nine and three-tenths of one percent (29.3%) of the vote.

## II. FACTUAL AND LEGAL ANALYSIS

Based on the Factual and Legal Analysis, see Attachment 2, this Office recommends that the Commission find reason to believe the Mehiel for Congress '94 committee and Stuart Wadler, as treasurer, violated 2 U.S.C. § 434(a)(6)(A).

95043701324

## III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

## IV. RECOMMENDATIONS

1. Open a MUR.

2. Find reason to believe that Mehiel for Congress '94 and Stuart Wadler, 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. Approve the attached Factual and Legal Analysis, proposed conciliation agreement, and the appropriate letter.

Lawrence M. Noble
General Counsel

1/20/95
Date

BY:

Lois G. Lerner
Associate General Counsel

Attachments:
1. Referral Materials
2. Factual and Legal Analysis
3. Proposed Conciliation Agreement

95043701325

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Mehiel for Congress '94 and | ) | RAD Referral |
| Stuart Wadler, as treasurer. | ) | #95L-07 MUR 4237 |

**CERTIFICATION**

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 27, 1995, the Commission decided by a vote of 6-0 to take the following actions in RAD Referral #95L-07:

1. Open a MUR.

2. Find reason to believe that Mehiel for Congress '94 and Stuart Wadler, 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. Approve the Factual and Legal Analysis, proposed conciliation agreement, and the appropriate letter, as recommended in the General Counsel's Report dated July 20, 1995.

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

Attest:

7-28-95
Date

for Delores Hardy
Marjorie W. Emmons
Secretary of the Commission

| | | | |
|---|---|---|---|
| Received in the Secretariat: | Mon., | July 24, 1995 | 9:39 a.m. |
| Circulated to the Commission: | Mon., | July 24, 1995 | 11:00 a.m. |
| Deadline for vote: | Thurs., | July 27, 1995 | 4:00 p.m. |

mwd

95043701326

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 1, 1995

Stuart Wadler, Treasurer
Mehiel for Congress '94
2080 Allan Avenue
Yorktown Heights, NY 10598

RE: MUR 4237
Mehiel for Congress '94
and Stuart Wadler, as Treasurer

Dear Mr. Wadler:

On July 27, 1995, the Federal Election Commission found that there is reason to believe Mehiel for Congress '94 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.

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

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

95043701327

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. Dennis Mehiel

95043701328

**FEDERAL ELECTION COMMISSION**
**FACTUAL & LEGAL ANALYSIS**

**RESPONDENTS:** Mehiel for Congress '94 and Stuart Wadler, as Treasurer **MUR:** 4237

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.

9504370129

The Primary Election in the state of New York was held on September 13, 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 August 25 through September 10, 1994, within 48 hours of their receipt. A review of the Committee's 1994 October Quarterly Report identified three (3) contributions received on/between August 29 through September 8, 1994, of $1,000 or more, and totaling $52,000. The Committee did not submit 48 Hour Notices for these contributions.

In response to the Commission's February 17, 1995 Informational Notice, the Committee stated, in a letter dated February 22, 1995, that the contributions, designated by the Committee as "loans from Candidate", were erroneously not timely reported because deposits were made to the campaign account under transfer authorization of the candidate from personal funds, and the information was not available to be reported until the bank advice was received by mail several days later. See attachment 1.

Based on the foregoing, there is reason to believe that Mehiel for Congress '94 and Stuart Wadler, 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 contributions.

9 5 0 4 3 7 0 1 3 0

# [redacted] OF DESIGNATION OF [redacted]

MUR 4237

NAME OF COUNSEL: Kenneth A. Gross

ADDRESS: Skadden Arps et al.
1440 New York Avenue, N.W.
Washington, D.C. 20005

TELEPHONE: (202) 371-7007

AUG 17 12 24 PM '95
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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

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.

August 12, 1995
Date

Signature

RESPONDENT'S NAME: Mahiel for Congress '94 and
Stuart Wadler, as Treasurer

ADDRESS: 115 Stevens Avenue
Valhalla, NY 10595

HOME PHONE: 914-273-4353

BUSINESS PHONE: (914) 747-2600

9502437011

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 31, 1995

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
95 NOV 1 10 12 AM

**TWO WAY MEMORANDUM**

**TO:** OGC, Docket

**FROM:** Rosa E. Swinton
Accounting Technician

**SUBJECT:** Account Determination for Funds Received

We recently received a check from Mehiel for Congress '94, check number 1532, dated 10/24/95, and in the amount of $6,400.00. Attached is a copy of the check and any correspondence that was forwarded. Please indicate below the account into which it should be deposited, and the MUR number and name.

---

**TO:** Rosa E. Swinton
Accounting Technician

**FROM:** OGC, Docket Byaa

In reference to the above check in the amount of $6400.00, the MUR number is 4237 and in the name of Mehiel for Congress '94. The account into which it should be deposited is indicated below:

✓ Budget Clearing Account (OGC), 95F3875.16

__ Civil Penalties Account, 95-1099.160

__ Other: _____

Anita Alexander
Signature

11-1-95
Date

95043701332

| THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS | | | |
|---|---|---|---|
| DATE | | AMOUNT | |
| | | $6,400 | 00 |
| | | | |
| | | | |
| Joint | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

**DENNIS MEHIEL**
115 STEVENS AVE.
VALHALLA, NY 10595-1254

1532

October 24, 95

1-2/210 035

PAY TO THE ORDER OF FEC $ 6,400.00

Six Thousand Four Hundred 00/100 DOLLARS

CHASE
The Chase Manhattan Bank, N.A.
Private Banking Services
1211 Avenue of the Americas
New York, NY 10036

9504370133

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

Nov 9 10 17 AM '95

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 4237 |
| Mehiel for Congress '94 | ) | |
| and Stuart Wadler, as Treasurer | ) | SENSITIVE |
| | ) | |

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On July 27, 1995, the Commission found that there is reason to believe that the Mehiel for Congress '94 committee and Stuart Wadler, as treasurer, violated 2 U.S.C. § 434(a)(6)(A) by failing to file 48 Hour Notices for three contributions (in the form of loans from the candidate) totaling $52,000 within forty-eight hours of receipt of the contributions. The Commission simultaneously entered into conciliation prior to a finding of probable cause to believe and approved a conciliation agreement containing a civil penalty

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II. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with Mehiel for Congress '94 and Stuart Wadler, as treasurer.

2. Approve the appropriate letters.

3. Close the file.

Lawrence M. Noble
General Counsel

Date 11/8/95

BY: [signature]
Lois G. Lerner
Associate General Counsel

Attachment:
1. Conciliation Agreement

Staff Assigned: Tracey L. Ligon

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**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Mehiel for Congress '94 and | ) | MUR 4237 |
| Stuart Wadler, as Treasurer. | ) | |

**CERTIFICATION**

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 20, 1995, the Commission decided by a vote of 5-0 to take the following actions in MUR 4237:

1. Accept the conciliation agreement with Mehiel for Congress '94 and Stuart Wadler, as treasurer, as recommended in the General Counsel's Report dated November 8, 1995.

2. Approve the appropriate letters, as recommended in the General Counsel's Report dated November 8, 1995.

3. Close the file.

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

Attest:

11-20-95
Date

Marjorie W Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Thurs., Nov. 08, 1995 10:17 a.m.
Circulated to the Commission: Thurs., Nov. 08, 1995 12:00 p.m.
Revised deadline for vote: Wed., Nov. 22, 1995 4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 21, 1995

Mr. Kenneth A. Gross
Skadden, Arps, Slate, Meagher, & Flom
1440 New York Avenue, N.W.
Washington, D.C. 20005

RE: MUR 4237

Dear Mr. Gross:

On November 20, 1995, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of U.S.C. § 434(a)(6)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act").

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,

Tracey L. Ligon
Attorney

Enclosure:
Conciliation Agreement

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**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| **In the Matter of** | ) | **MUR 4237** |
| | ) | |
| **Mehiel for Congress '94 and** | ) | |
| **Stuart Wadler, as Treasurer** | ) | |
| | ) | |

**CONCILIATION AGREEMENT**

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Mehiel for Congress '94 and Stuart Wadler, 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.

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IV. The pertinent facts in this matter are as follows:

1. The Mehiel for Congress '94 committee is a political committee within the meaning of 2 U.S.C. § 431(4), and is the authorized principal campaign committee for Dennis Mehiel's 1994 congressional campaign.

2. Stuart Wadler is the treasurer of the Mehiel for Congress' 94 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, 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).

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 that it remains unpaid.

5. During the 1994 Primary Election, Respondents were required to report campaign contributions of $1,000 or more received



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between August 25 through September 10, inclusive, within 48 hours of receipt of the contribution.

6. On/between August 29 to September 8, 1994, Respondents received three (3) contributions of $1,000 or more (in the form of loans from the candidate) totaling $52,000. The Respondents did not submit 48 Hour Notices for these contributions.

V. The Respondents failed 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 contributions, 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 six thousand four hundred dollars ($6,400), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

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

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other state-



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ment, 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: _____ 11/22/95
Lois G. Lerner
Associate General Counsel
Date

FOR THE RESPONDENTS

_____ 10/31/95
Kenneth A. Gross
Attorney for Respondents
Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4237

DATE FILMED 12-12-95 CAMERA NO. 2

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