



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1871

Date Filmed 6/13/85 Camera No. --- 2

Cameraman AS

350405/23989

FEDERAL ELECTION COMMISSION

Routing Cards

12 Day Report & Comments

Conciliation related material

Bank Account Numbers

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- | | |
|--|---|
| ☐ (1) Classified Information | ☐ (6) Personal privacy |
| ☒ (2) Internal rules and practices | ☐ (7) Investigatory files |
| ☒ (3) Exempted by other statute | ☒ (8) Banking Information |
| ☐ (4) Trade secrets and commercial or financial information | ☐ (9) Well Information (geographic or geophysical) |
| ☒ (5) Internal Documents | |

Signed Paul R. Reys
date 5/24/85

FEC 9-21-77

DR 6/4/85

85040523990

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1871
Engineers Political Education)
Committee)
Frank Hanley, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 25, 1985, the Commission decided by a vote of 5-0 to take the following actions in MUR 1871:

1. Accept the conciliation agreement submitted with the General Counsel's Report signed April 22, 1985.
2. Approve and send the proposed letters attached to the General Counsel's Report signed April 22, 1985.
3. Close the file.

Commissioners Aikens, Elliott, Harris, McGarry and Reiche voted affirmatively in this matter; Commissioner McDonald did not cast a vote.

Attest:

4-25-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

4-22-85, 3:02
4-23-85, 11:00

35040523991

III. Respondents enter voluntarily into this agreement with the Commission.

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

1. Respondent, Engineers Political Education Committee, is a political committee within the meaning of 2 U.S.C. § 431(4). (Hereafter, "EPEC").

2. Respondent, Frank Hanley, serves as treasurer for EPEC.

3. Section 104.14(d) of Title 11, Code of Federal Regulations provides that, "[e]ach treasurer of a political committee ... shall be personally responsible for the timely and complete filing of ... report[s] and for the accuracy of any information or statement contained [therein]."

4. Section 110.1 of Title 11, Code of Federal Regulations, requires that contributions made prior to the date of an election and not designated in writing for a particular election by the contributor, must be presumed for the next occurring election.

5. Section 441a(a)(2)(A) of Title 2, United States Code provides that multicandidate committees, within the meaning of 11 C.F.R. § 100.5(e)(3), may contribute no more than \$5,000 with respect to a federal election.

6. Martin Frost was a candidate in the May 1, 1982 Texas primary election.

35040523993

7. Martin Frost was a candidate in the November 2, 1982 Texas general election.

8. EPEC contributed a total of \$3,500 to the Martin Frost Campaign Committee by three contributions dated May 6, 1981, February 11, 1981, and March 4, 1982. All of these contributions were disclosed by EPEC in FEC reports for the May 1, 1982, Texas primary election.

9. EPEC contributed \$2,500 to the Martin Frost Campaign Committee on June 9, 1982 and reported that the contribution was made for the May 1, 1982 Texas primary election.

10. No contemporaneous, written document designating EPEC's June 9, 1982 contribution for any election was transmitted with the contribution to the Frost committee. Therefore, Commission Regulations treat this contribution as being for the 1982 General election.

11. Subsequent to the 1982 election cycle, and prior to the initiation of this matter, the administrative procedures of EPEC/IUOE were modified to preclude the likelihood of a recurrence of the violation identified herein.

V. By inaccurately reporting its June 9, 1982, contribution for the Primary instead of the General election, Respondents violated 11 C.F.R. § 104.14(d).

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VI. Respondents will pay a civil penalty to the Treasurer of the United States in the amount of one hundred dollars (\$100) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that they shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

VIII. 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.

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

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

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and

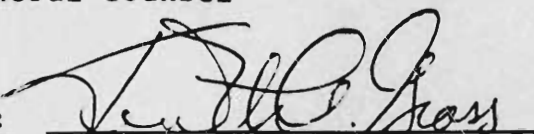
85040523995

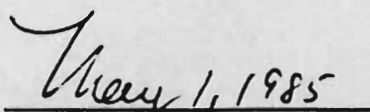
no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:

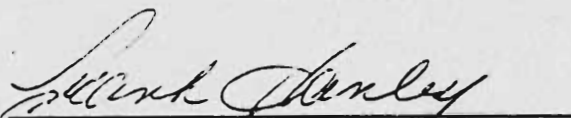
Charles N. Steele
General Counsel

BY:


Kenneth A. Gross
Associate General Counsel


Date

FOR THE RESPONDENTS:


Frank Hanley,
Treasurer

April 15, 1985
Date

85040523996



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 29, 1985

Michael R. Fanning, Esquire
General Counsel
International Union of Operating
Engineers
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

RE: MUR 1871
Engineers Political Education
Committee
Frank Hanley, Treasurer

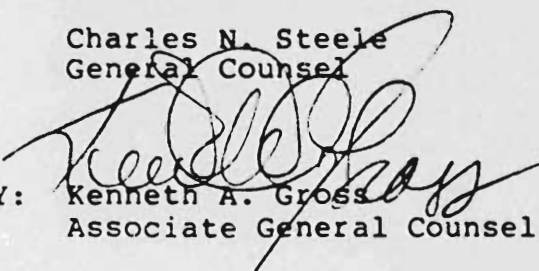
Dear Mr. Fanning:

On April 25, 1985, the Commission accepted the conciliation agreement signed by your client and a civil penalty in settlement of a violation of 11 C.F.R. § 104.14(d), a provision of the Code of Federal Regulations. Accordingly, the file has been closed in this matter, and it will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

85040523997



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 29, 1985

The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515

RE: MUR 1871

Dear Congressman Frost:

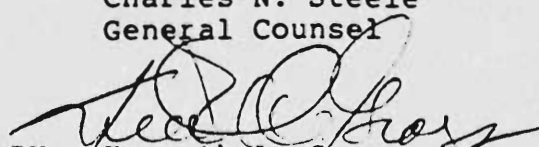
This is in reference to the information provided by you to the Commission on May 17, 1984, concerning contributions to your campaign committee from the Engineers Political Education Committee, the Texas State Council of Machinists and AeroSpace Workers Non-Partisan Political League and the Machinists Non-Partisan Political League.

The Commission determined that there was reason to believe that the Engineers and Texas Machinists Committee violated 11 C.F.R. § 104.14(d), a provision of the Code of Federal Regulations and conducted an investigation in this matter. On April 25, 1985, a conciliation agreement signed by the Engineers Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

The file number in this matter is MUR 1871. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel


BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

85040523998



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 29, 1985

Betsy M. Beesley, Treasurer
Martin Frost Campaign Committee (82)
P.O. Box 4219 Station A
Dallas, Texas 75208

Re: MUR 1871

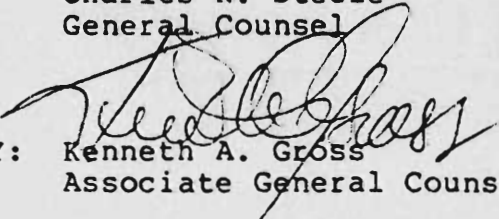
Dear Ms. Beesley:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

cc: The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515

35040523999



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 29, 1985

Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Political League
7208 Smokey Hill Drive
Austin, Texas 78736

RE: MUR 1871

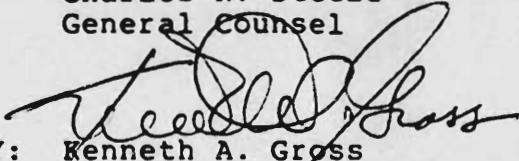
Dear Mr. Manchac:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel


BY: Kenneth A. Gross
Associate General Counsel

85040524000



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 29, 1985

Mr. Eugene Glover, Treasurer
International Association of Machinists
and Aerospace Workers Non-Partisan
Political League
1300 Connecticut Avenue, N.W., Suite 413
Washington, D.C. 20036

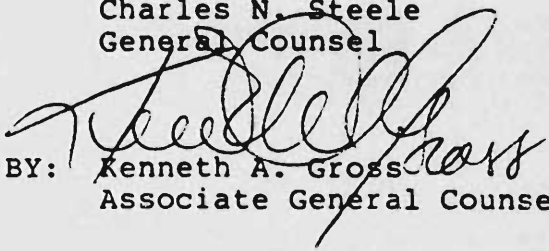
Re: MUR 1871

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

85040524001



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cut*
DATE: April 22, 1985
SUBJECT: MUR 1871 - General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of _____
Open Session _____
Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	☒	Compliance	☒
Sensitive	☒	Audit Matters	☐
Non-Sensitive	☐	Litigation	☐
24 Hour No Objection	☐	Closed MUR Letters	☐
Sensitive	☐	Status Sheets	☐
Non-Sensitive	☐	Advisory Opinions	☐
Information	☐	Other (see distribution below)	☐
Sensitive	☐		
Non-Sensitive	☐		
Other	☐		

85040524002



International Union of Operating Engineers

1125 SEVENTEENTH STREET NORTHWEST WASHINGTON, D. C. 20036
AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

OFFICE OF GENERAL PRESIDENT • (202) 429-9100

April 15, 1985

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1871

Dear Mr. Gross:

Sincerely,

Michael R. Fanning
Counsel

MRF/jlw

Enclosures

Attachment

1

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
International Union of Operating) MUR 1871
Engineers Political Education)
Committee)
Frank Hanley, Treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the International Union of Operating Engineers/Engineers Political Education Committee ("EPEC") and Frank Hanley, as treasurer, ("Respondents") violated 11 C.F.R. § 104.14(d) by inaccurately reporting a contribution to the Martin Frost Campaign Committee in connection with the May 1, 1982, Texas Primary election, and, an investigation was conducted.

NOW, THEREFORE, the Commission and 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.

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III. Respondents enter voluntarily into this agreement with the Commission.

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

1. Respondent, Engineers Political Education Committee, is a political committee within the meaning of 2 U.S.C. § 431(4). (Hereafter, "EPEC").

2. Respondent, Frank Hanley, serves as treasurer for EPEC.

3. Section 104.14(d) of Title 11, Code of Federal Regulations provides that, "[e]ach treasurer of a political committee ... shall be personally responsible for the timely and complete filing of ... report[s] and for the accuracy of any information or statement contained [therein]."

4. Section 110.1 of Title 11, Code of Federal Regulations, requires that contributions made prior to the date of an election and not designated in writing for a particular election by the contributor, must be presumed for the next occurring election.

5. Section 441a(a)(2)(A) of Title 2, United States Code provides that multicandidate committees, within the meaning of 11 C.F.R. § 100.5(e)(3), may contribute no more than \$5,000 with respect to a federal election.

6. Martin Frost was a candidate in the May 1, 1982 Texas primary election.

7. Martin Frost was a candidate in the November 2, 1982 Texas general election.

8. EPEC contributed a total of \$3,500 to the Martin Frost Campaign Committee by three contributions dated May 6, 1981, February 11, 1981, and March 4, 1982. All of these contributions were disclosed by EPEC in FEC reports for the May 1, 1982, Texas primary election.

9. EPEC contributed \$2,500 to the Martin Frost Campaign Committee on June 9, 1982 and reported that the contribution was made for the May 1, 1982 Texas primary election.

10. No contemporaneous, written document designating EPEC's June 9, 1982 contribution for any election was transmitted with the contribution to the Frost committee. Therefore, Commission Regulations treat this contribution as being for the 1982 General election.

11. Subsequent to the 1982 election cycle, and prior to the initiation of this matter, the administrative procedures of EPEC/IUOE were modified to preclude the likelihood of a recurrence of the violation identified herein.

V. By inaccurately reporting its June 9, 1982, contribution for the Primary instead of the General election, Respondents violated 11 C.F.R. § 104.14(d).

VI. Respondents will pay a civil penalty to the Treasurer of the United States in the amount of one hundred dollars (\$100) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that they shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

VIII. 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.

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

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

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Engineers Political Education)
Committee/International Union)
of Operating Engineers (EPEC))
Frank Hanley, treasurer,)
et. al.)

MUR 1871

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 20, 1985, the Commission decided by a vote of 5-0 to take the following actions in MUR 1871:

1. Take no further action with respect to TX-MNPL, and Walter F. Manchac, as treasurer.
- 2.
- 3.
4. Approve and send the proposed letters to EPEC and TX-MNPL attached to the General Counsel's Report signed March 15, 1985.
5. Close the file as to TX-MNPL and Walter F. Manchac, as treasurer.

Commissioners Aikens, Elliott, Harris, McGarry and Reiche voted affirmatively in this matter; Commissioner McDonald did not cast a vote.

Attest:

3-20-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

85040524008

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Engineers Political Education Committee)
Frank Hanley, Treasurer)

MUR 1871

GENERAL COUNSEL'S REPORT

Background

Attached is a conciliation agreement which has been signed by Mr. Frank Hanley, treasurer of the Engineers Political Education Committee.

Recommendation

The Office of General Counsel recommends the acceptance of this agreement approving and sending the attached proposed letters and the closing of the file.

Charles N. Steele
General Counsel

Date

April 22, 1985

BY:

Kenneth A. Gross
Associate General Counsel

Attachments.

Signed Conciliation Agreement
Photocopy of civil penalty check
Letters (5)

85040524009

20:00:00

050405240100

★ OFFICE OF GENERAL PRESIDENT

★ *International Union of Operating Engineers*

★ 1125 SEVENTEENTH STREET NORTHWEST ★ WASHINGTON, D.C. 20036

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463



05 APR 17 49:33

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 valid.

FOR THE COMMISSION:

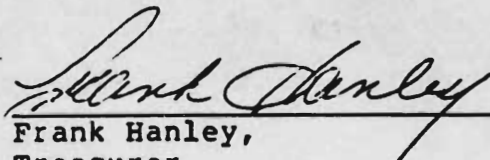
Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

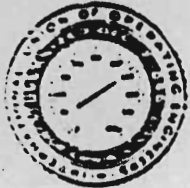
Date

FOR THE RESPONDENTS:


Frank Hanley,
Treasurer

April 15, 1985
Date

85040524011



International Union of Operating Engineers

No. 001789

1125 SEVENTEENTH STREET NORTHWEST • WASHINGTON, D. C. 20036

AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

15-125
540

MADISON NATIONAL BANK
WASHINGTON, D.C.

PAY TO THE ORDER OF

DATE

CHECK NUMBER

DISCOUNT

AMOUNT

Apr 15 85

1789

.00

\$100.00

United States Treasury

INTERNATIONAL UNION OF OPERATING ENGINEERS
GENERAL FUND • EXPENSE ACCOUNT

Frank Hanley

85040524012

7



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Betsy M. Beesley, Treasurer
Martin Frost Campaign Committee (82)
P.O. Box 4219 Station A
Dallas, Texas 75208

Re: MUR 1871

Dear Ms. Beesley:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

cc: The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515

RE: MUR 1871

Dear Congressman Frost:

This is in reference to the information provided by you to the Commission on May 17, 1984, concerning contributions to your campaign committee from the Engineers Political Education Committee, the Texas State Council of Machinists and AeroSpace Workers Non-Partisan Political League and the Machinists Non-Partisan Political League.

The Commission determined that there was reason to believe that the Engineers and Texas Machinists Committee violated 11 C.F.R. § 104.14(d), a provision of the Code of Federal Regulations and conducted an investigation in this matter. On , 1985, a conciliation agreement signed by the Engineers Committee was accepted by the Commission, thereby concluding the matter. A copy of this agreement is enclosed for your information.

The file number in this matter is MUR 1871. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

9

35040524014



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Michael R. Fanning, Esquire
General Counsel
International Union of Operating
Engineers
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

RE: MUR 1871
Engineers Political Education
Committee
Frank Hanley, Treasurer

Dear Mr. Fanning:

On , 1985, the Commission accepted the conciliation agreement signed by your client and a civil penalty in settlement of a violation of 11 C.F.R. § 104.14(d), a provision of the Code of Federal Regulations. Accordingly, the file has been closed in this matter, and it will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Political League
7208 Smokey Hill Drive
Austin, Texas 78736

RE: MUR 1871

Dear Mr. Manchac:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

85040524016

//



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Eugene Glover, Treasurer
International Association of Machinists
and Aerospace Workers Non-Partisan
Political League
1300 Connecticut Avenue, N.W., Suite 413
Washington, D.C. 20036

Re: MUR 1871

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

85040524017



RECEIVED
Keyser
APR 17 9:19
International Union of Operating Engineers

1125 SEVENTEENTH STREET NORTHWEST WASHINGTON, D. C. 20036
AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS
APR 18 10:11

OFFICE OF GENERAL PRESIDENT • (202) 429-9100

April 15, 1985

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1871

Dear Mr. Gross:

Sincerely,

Michael R. Fanning
Michael R. Fanning
Counsel

MRF/jlw

Enclosures

85040524018



International Union of Operating Engineers

1125 SEVENTEENTH STREET NORTHWEST • WASHINGTON, D. C. 20036

AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

MADISON NATIONAL BANK
WASHINGTON, D.C.

No. 001789

15-125
540

PAY TO THE ORDER OF

DATE

CHECK NUMBER

DISCOUNT

AMOUNT

Apr 15 85

1789

.00

United States Treasury



\$100.00

INTERNATIONAL UNION OF OPERATING ENGINEERS
GENERAL FUND • EXPENSE ACCOUNT

Frank Hanley

85040524012



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 25, 1985

Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Political League
7208 Smokey Hill Drive
Austin, Texas 78736

Re: MUR 1871
TX-MNPL and Walter F. Manchac,
Treasurer

Dear Mr. Manchac:

On January 7, 1985, the Commission found reason to believe that your committee and you, as treasurer, had violated 11 C.F.R. § 104.14(d), a provision of the Code of Federal Regulations in connection with the above referenced MUR. However, after considering the circumstances of this matter, including the amended report filed by you, the Commission has determined to take no further action and close its file in this matter as it pertains to the Committee and you, as treasurer.

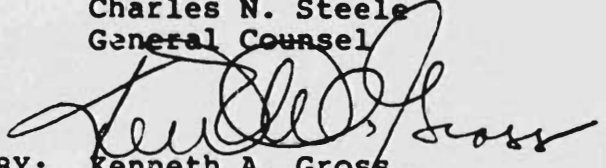
The Commission reminds you that inaccurate reporting of election designations nevertheless appears to be a violation of 11 C.F.R. § 104.14(d). You should take immediate steps to insure that this activity does not occur in the future.

The file in this matter will be made part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

If you have any questions, please direct them to Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Associate General Counsel

35040524020



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cat*
DATE: March 15, 1985
SUBJECT: MUR 1871 - General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote [X]
Sensitive [X]
Non-Sensitive []

24 Hour No Objection []
Sensitive []
Non-Sensitive []

Information []
Sensitive []
Non-Sensitive []

Other []

DISTRIBUTION

Compliance [X]

Audit Matters []

Litigation []

Closed MUR Letters []

Status Sheets []

Advisory Opinions []

Other (see distribution below) []

85040524021

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE SEC
COMMISSIONER
SECRETARY

25 MAR 15 PM 2:30

In the Matter of)
)
Engineers Political Education)
Committee/International Union)
Of Operating Engineers (EPEC))
Frank Hanley, Treasurer)
)
Texas State Council of Machinists)
and Aerospace Workers,)
Machinists Non-Partisan Political)
League (TX-MNPL), Walter F.)
Manchac, Treasurer)
)

MUR 1871

GENERAL COUNSEL'S REPORT

I. Background

On January 7, 1985, the Commission found reason to believe that EPEC and TX-MNPL had violated 11 C.F.R. § 104.14(d) by inaccurately reporting contributions to the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer. The Commission found no reason to believe a violation of 2 U.S.C. § 441a(a)(2)(A) was committed by EPEC or TX-MNPL. Additionally, the file was closed as to the Frost Committee, its treasurer, and another committee, the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, an affiliate of TX-MNPL. Respondents were notified of the Commission's findings by letter of January 11, 1985. TX-MNPL's treasurer telephoned this Office on January 18, 1985 to indicate that a written response would be forthcoming. TX-MNPL's written response was received by the Commission on February 1, 1985. EPEC, by letter dated January 24, 1985, requested and was granted a ten day extension in which to file its response; making EPEC's response due on February 4,

35040524022

1985. EPEC's response was hand-delivered on February 4, 1985.

II. Legal Analysis

Section 104.14(d), of Title 11, Code of Federal Regulations provides that each "treasurer of a political committee. . . shall be personally responsible for the timely and complete filing of the report or statement and for the accuracy of any information or statement contained in it." EPEC and TX-MNPL were each found to have inaccurately reported a \$2,500 contribution made for the 1982 General election as being for the 1982 Primary election of Congressman Martin Frost. Neither EPEC nor TX-MNPL disputes the Commission's findings. TX-MNPL contends that its error was a typographical error and has filed a duly amended July 15 Quarterly Report covering May 21, 1982 through June 30, 1982. (attached) EPEC's counsel states that EPEC is preparing for filing an amended 1982 July Monthly Report designating its disputed contribution correctly for the General election.

/ Since EPEC's letter was received, this Office has contacted EPEC's Counsel twice, on February 15 and 21,

3 5 0 4 0 5 2 4 0 2 3

1985, to inquire about the amended report. To date, no amendment has been received by the Commission.

III. Discussion of Conciliation Provisions and Civil Penalty

85040524024

IV. Recommendations

1. Take no further action with respect to TX-MNPL, and Walter F. Manchac, as treasurer.

- 2.
- 3.
4. Approve and send the attached, proposed letters to EPEC and TX-MNPL.
5. Close the file as to TX-MNPL and Walter F. Manchac as treasurer.

Charles N. Steele
General Counsel

March 15, 1985
Date

BY:

Kenneth A. Gross
Associate General Counsel

Attachments

Letters (2)
Proposed Conciliation Agreement
RTB Responses

85040524025



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Political League
7208 Smokey Hill Drive
Austin, Texas 78736

Re: MUR 1871
TX-MNPL and Walter F. Manchac,
Treasurer

Dear Mr. Manchac:

On January 7, 1985, the Commission found reason to believe that your committee and you, as treasurer, had violated 11 C.F.R. § 104.14(d), a provision of the Code of Federal Regulations in connection with the above referenced MUR. However, after considering the circumstances of this matter, including the amended report filed by you, the Commission has determined to take no further action and close its file in this matter as it pertains to the Committee and you, as treasurer.

The Commission reminds you that inaccurate reporting of election designations nevertheless appears to be a violation of 11 C.F.R. § 104.14(d). You should take immediate steps to insure that this activity does not occur in the future.

The file in this matter will be made part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

If you have any questions, please direct them to Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

John Warren McGarry
Chairman

Attachment 2
7

85040524026



International Union of Operating Engineers

1125 SEVENTEENTH STREET NORTHWEST * WASHINGTON, D. C. 20036
AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

OFFICE OF GENERAL PRESIDENT * (202) 429-9100

February 4, 1985

DELIVERED BY HAND

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1871

Dear Mr. Gross:

I have been authorized to represent the Engineers Political Education Committee of the International Union of Operating Engineers, and its Treasurer Frank Hanley, in the above-captioned matter. A duly executed Designation of Counsel form is enclosed herewith.

Sincerely,

Michael R. Fanning
Michael R. Fanning
General Counsel

Attachment 3

MRF/jlw
Enclosure

7208 Smokey Hill Drive
Austin, Tex 78736

RECEIVED
OFFICE OF THE FEC
COMM. SECRETARY

GC#6568
J. Javier Reyes

TEXAS STATE COUNCIL OF MACHINISTS
AND AEROSPACE WORKERS
MACHINISTS NON-PARTISAN POLITICAL LEAGUE : 32

January 21, 1985

Mr. John Warren McGarry, Chairman
Federal Election Commission
Washington, D. C. 20463

RE: MUR 1871
Texas State Council of Machinists and Aerospace
Workers, Machinists Non-Partisan Political League
Walter F. Manchac, Treasurer
FEC No. C00012575

Dear Sir:

Reference is made to your letter of January 11, 1985, which I received on January 17, 1985, in regard to a report covering the period May 21, 1982 through June 30, 1982, for the above-named organization. This report listed Disbursement of \$2,500.00 to Martin Frost for the Primary Election. This report should have listed it for the General Election.

The enclosed Amended Report for this period amends the report to show this disbursement for the General Election. This was a typographical error only as this disbursement was for the General Election.

I am very sorry for this error in bookkeeping and will take care to see that it does not happen in the future.

If I can be of further assistance in any manner, please let me know.

Yours truly,

Walter F. Manchac

Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers, Machinists Non-
Partisan Political League

WFM:pm
Enclosure

35040524028

RECEIVED
GENERAL COUNCIL
JAN 21 1985
P12:06

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

ALIGN AREA

1. Name of Committee (In Full)

Texas State Council of Machinists
and Aerospace Workers, Machinists
Non-Partisan Political League

Address (Number and Street)

6060 Navajo Trail

City, State and ZIP Code

Beaumont, Texas 77708

☐ Check here if address is different than previously reported.

2. FEC Identification Number

C00012575

3. ☐ This committee qualified as a multicandidate committee during
this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report

☒ July 15 Quarterly Report ☐ January 31 Year End Report

☐ July 31 Mid Year Report (Non-Election Year Only)

☐ Monthly Report for _____

☐ Twelfth day report preceding _____ (Type of Election)

election on _____ in the State of _____

☐ Thirtieth day report following the General Election

on _____ in the State of _____

☐ Termination Report

(b) Is this Report an Amendment?

☒ YES

☐ NO

SUMMARY

5. Covering Period May 21, 1982 through June 30, 1982

6. (a) Cash on hand January 1, 19 _____

(b) Cash on Hand at Beginning of Reporting Period

(c) Total Receipts (from Line 18)

(d) Subtotal (add Lines 6(b) and 6(c) for Column A and
Lines 6(a) and 6(c) for Column B)

7. Total Disbursements (from Line 28)

8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))

9. Debts and Obligations Owed TO The Committee

(Itemize all on Schedule C or Schedule D)

10. Debts and Obligations Owed BY the Committee

(Itemize all on Schedule C or Schedule D)

I certify that I have examined this Report and to the best of my knowledge and belief
it is true, correct and complete.

Walter F. Manchac

Type or Print Name of Treasurer

Walter F. Manchac
SIGNATURE OF TREASURER

1/21/85

Date

For further information contact:

Federal Election Commission

Toll Free 800-424-9530

Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

SCHEDULE B

ITEMIZED DISBURSEMENT

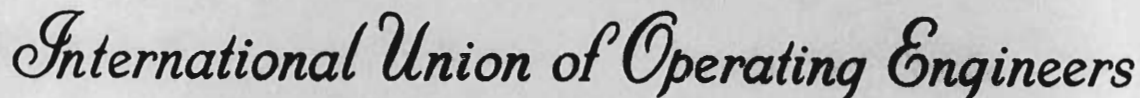
Page 5 of 19 for
LINE NUMBER
 (Use separate schedule(s) for each
 category of the Detailed
 Summary Page)

P12

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) Texas State Council of Machinists and Aerospace Workers Machinists Non-Partisan Political League			
A. Full Name, Mailing Address and ZIP Code Martin Frost P. O. Box 4219 Dallas, Texas 75208	Purpose of Disbursement	Date (month, day, year) 6-16-82	Amount of Each Disbursement This Period \$2,500.00
	Disbursement for: ☐ Primary ☒ General ☐ Other (specify):		
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: ☐ Primary ☐ General ☐ Other (specify):		
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			\$2,500.00

85040524030

11



STATEMENT OF DESIGNATION OF COUNSEL

MUR 1871

NAME OF COUNSEL: Michael R. Fanning

ADDRESS: 1125 17th Street, N.W.

Washington; D.C. 20036

TELEPHONE: (202) 429-9100

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.

February 4, 1985
Date

Frank Hanley
Signature

RESPONDENT'S NAME: Frank Hanley

ADDRESS: 1125 17th Street, N.W.

Washington, D.C. 20036

HOME PHONE: -----

BUSINESS PHONE: (202) 429-9100

3 5 0 4 0 5 2 4 0 3 2



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 29, 1985

Michael R. Fanning, Esquire
General Counsel
International Union of
Operating Engineers
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

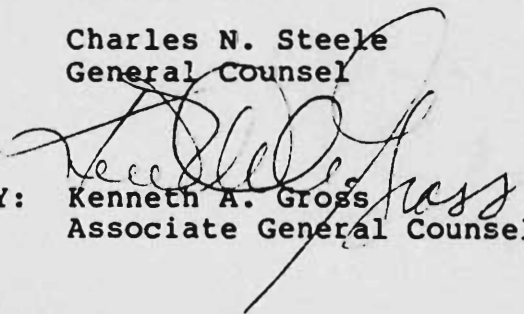
RE: MUR 1871

Dear Mr. Fanning:

This is in reference to your letter dated January 24, 1985, requesting an extension of time to respond to the Commission's January 11, 1985 letter notifying you that the Commission had found reason to believe that a violation of the Act had been committed by the Engineers Political Education Committee. After considering the circumstances presented in your letter, this Office has determined to grant you your requested extension. Since you state that EPEC received the Commission's notification letter on January 14, 1985, your response will, accordingly, be due on Monday, February 4, 1985.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

85040524033

1125 SEVENTEENTH STREET NORTHWEST * WASHINGTON, D. C. 20036
AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

OFFICE OF GENERAL PRESIDENT • (202) 429-9100

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
JAN 24 1965
2:03 PM

Re: MUR 1871

Michael R. Fanning / glw
Michael R. Fanning
General Counsel

MRF/jlw

855040524034

350402403



★
★ OFFICE OF GENERAL PRESIDENT
★
★ *International Union of Operating Engineers*
★
★ 1125 SEVENTEENTH STREET NORTHWEST ★ WASHINGTON D.C. 20036
★

Mr. Paul Reyes
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20483

BY HAND

7208 Smokey 11 Drive
Austin, Texas 78736

GCA#6560
J. Quinn

OFFICE OF THE
COMMISSIONER OF
ELECTIONS

TEXAS STATE COUNCIL OF MACHINISTS
AND AEROSPACE WORKERS
MACHINISTS NON-PARTISAN POLITICAL LEAGUE : 32

January 21, 1985

Mr. John Warren McGarry, Chairman
Federal Election Commission
Washington, D. C. 20463

RE: MUR 1871
Texas State Council of Machinists and Aerospace
Workers, Machinists Non-Partisan Political League
Walter F. Manchac, Treasurer
FEC No. C00012575

RECEIVED
GENERAL COUNCIL
FEB 1 1985
PI2: 06

Dear Sir:

Reference is made to your letter of January 11, 1985, which I received on January 17, 1985, in regard to a report covering the period May 21, 1982 through June 30, 1982, for the above-named organization. This report listed Disbursement of \$2,500.00 to Martin Frost for the Primary Election. This report should have listed it for the General Election.

The enclosed Amended Report for this period amends the report to show this disbursement for the General Election. This was a typographical error only as this disbursement was for the General Election.

I am very sorry for this error in bookkeeping and will take care to see that it does not happen in the future.

If I can be of further assistance in any manner, please let me know.

Yours truly,

Walter Manchac

Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers, Machinists Non-
Partisan Political League

WFM:pm
Enclosure

85040524036

REPORT OF RECEIPTS AND DISBURSEMENT
For a Political Committee Other Than an Authorized Committee

(Summary Page)

ALIGN AREA

RECEIVED
OFFICE OF THE
COMMISSIONER OF
ELECTIONS
ALIGN AREA

1. Name of Committee (In Full)

Texas State Council of Machinists
and Aerospace Workers, Machinists
Non-Partisan Political League

Address (Number and Street)

6060 Navajo Trail

City, State and ZIP Code

Beaumont, Texas 77708

☐ Check here if address is different than previously reported.

2. FEC Identification Number

C00012575

3. ☐ This committee qualified as a multicandidate committee during
this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

- (a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report
☒ July 15 Quarterly Report ☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election)
election on _____ in the State of _____
☐ Thirtieth day report following the General Election
on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?

☒ YES ☐ NO

SUMMARY

5. Covering Period May 21, 1982 through June 30, 1982

6. (a) Cash on hand January 1, 19 _____

(b) Cash on Hand at Beginning of Reporting Period

(c) Total Receipts (from Line 18)

(d) Subtotal (add Lines 6(b) and 6(c) for Column A and
Lines 6(a) and 6(c) for Column B)

7. Total Disbursements (from Line 28)

8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))

9. Debts and Obligations Owed TO The Committee
(Itemize all on Schedule C or Schedule D)

10. Debts and Obligations Owed BY the Committee
(Itemize all on Schedule C or Schedule D)

COLUMN A
This Period

COLUMN B
Calendar Year-to-Date

\$ 5,002.88

\$ 7,517.44

\$ 2,373.16 \$ 21,387.72

\$ 9,890.60 \$ 26,390.60

\$ 2,512.81 \$ 19,012.81

\$ 7,377.79 \$ 7,377.79

\$ None

\$ None

I certify that I have examined this Report and to the best of my knowledge and belief
it is true, correct and complete.

Walter F. Manchac

Type or Print Name of Treasurer

SIGNATURE OF TREASURER

1/21/85

Date

For further information contact:

Federal Election Commission

Toll Free 800-424-9530

Local 202-523-4068

NOTE Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 151 of 153 for
 LINE NUMBER 151
 (Use separate schedule(s) for each
 category of the Detailed
 Summary Page)

P12

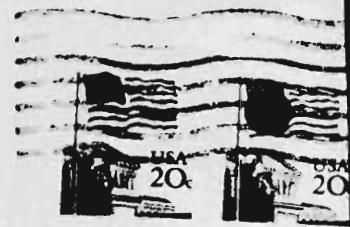
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full) **Texas State Council of Machinists and Aerospace Workers
 Machinists Non-Partisan Political League**

A. Full Name, Mailing Address and ZIP Code Martin Frost P. O. Box 4219 Dallas, Texas 75208	Purpose of Disbursement Disbursement for: ☐ Primary ☒ General ☐ Other (specify):	Date (month, day, year) 6-16-82	Amount of Each Disbursement This Period \$2,500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			\$2,500.00

85040524038

as State Council of Machinists
Aerospace Workers
hinists Non-Partisan Political League
8 Smokey Hill Dr.
stin, Texas 78736

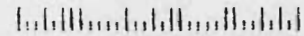


51207

P12:06

Mr. John Warren McGarry, Chairman
Federal Election Commission
Washington, D. C. 20463

CS:1d JAN 29 1985



350405240

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)

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)

)

)

)

SENSITIVE

35040524040

1. Open a MUR.

2. Find no reason to believe that the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, and its affiliate, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as treasurer, violated 2 U.S.C. § 441a (a) (2) (A) by making a contribution to the Martin Frost Campaign Committee in connection with the 1982 primary election and close the file as to the Machinists Non-Partisan Political League and Eugene Glover.

3. Find no reason to believe that the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, violated 11 C.F.R. § 104.14(d), and close the file as to the Machinists Non-Partisan Political League, and Eugene Glover.

(Continued)

4. Find reason to believe that the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as treasurer, violated 11 C.F.R. § 104.14(d).
5. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 2 U.S.C. § 441a(f) by accepting a contribution from the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, and its affiliate, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as treasurer, and close the file as to the Martin Frost Campaign Committee and Betsy M. Beesley.
6. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 11 C.F.R. § 104.14(d) by reporting contributions received from the MNPL Committees in connection with the 1982 Texas primary election.
7. Find no reason to believe that the Engineers Political Education Committee, and Frank Hanley, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making a contribution to the Martin Frost Campaign Committee in connection with the 1982 primary election in Texas.
8. Find reason to believe that the Engineers Political Education Committee, and Frank Hanley, as treasurer, violated 11 C.F.R. § 104.14(d) in reporting a primary election contribution to the Martin Frost Campaign Committee in connection with the 1982 Texas primary election.

(Continued)

35040524041

9. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 2 U.S.C. § 441a(f) by accepting a 1982 primary contribution from the Engineers Political Education Committee.
10. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 11 C.F.R. § 104.14(d) in reporting contributions from the Engineers Political Education Committee in connection with the 1982 primary election in Texas and close the file as to the Martin Frost Campaign Committee and Betsy M. Beesley.
11. Approve and send the letters attached to the First General Counsel's Report signed January 3, 1985.

Commissioners Elliott, Harris, McDonald and McGarry voted affirmatively in this matter; Commissioners Aikens and Reiche did not cast a vote.

Attest:

1-8-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

1-3-85, 12:04
1-3-85, 4:00

35040524042

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Engineers Political Education) PreMUR 124
Committee/International Union)
of Operating Engineers (EPEC))
Frank Hanley, treasurer,)
et. al.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 7, 1985, the Commission decided by a vote of 4-0 to take the following actions in PreMUR 124:

1. Open a MUR.
2. Find no reason to believe that the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, and its affiliate, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as treasurer, violated 2 U.S.C. § 441a (a)(2)(A) by making a contribution to the Martin Frost Campaign Committee in connection with the 1982 primary election and close the file as to the Machinists Non-Partisan Political League and Eugene Glover.
3. Find no reason to believe that the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, violated 11 C.F.R. § 104.14(d), and close the file as to the Machinists Non-Partisan Political League, and Eugene Glover.

(Continued)

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4. Find reason to believe that the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as treasurer, violated 11 C.F.R. § 104.14(d).
5. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 2 U.S.C. § 441a(f) by accepting a contribution from the Machinists Non-Partisan Political League, and Eugene Glover, as treasurer, and its affiliate, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as treasurer, and close the file as to the Martin Frost Campaign Committee and Betsy M. Beesley.
6. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 11 C.F.R. § 104.14(d) by reporting contributions received from the MNPL Committees in connection with the 1982 Texas primary election.
7. Find no reason to believe that the Engineers Political Education Committee, and Frank Hanley, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making a contribution to the Martin Frost Campaign Committee in connection with the 1982 primary election in Texas.
8. Find reason to believe that the Engineers Political Education Committee, and Frank Hanley, as treasurer, violated 11 C.F.R. § 104.14(d) in reporting a primary election contribution to the Martin Frost Campaign Committee in connection with the 1982 Texas primary election.

(Continued)

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9. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 2 U.S.C. § 441a(f) by accepting a 1982 primary contribution from the Engineers Political Education Committee.
10. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as treasurer, violated 11 C.F.R. § 104.14(d) in reporting contributions from the Engineers Political Education Committee in connection with the 1982 primary election in Texas and close the file as to the Martin Frost Campaign Committee and Betsy M. Beesley.
11. Approve and send the letters attached to the First General Counsel's Report signed January 3, 1985.

Commissioners Elliott, Harris, McDonald and McGarry voted affirmatively in this matter; Commissioners Aikens and Reiche did not cast a vote.

Attest:

1-8-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

1-3-85, 12:04
1-3-85, 4:00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 11, 1985

Ms. Betsy M. Beesley, Treasurer
Martin Frost Campaign Committee (82)
P.O. Box 4219 Station A
Dallas, Texas 75208

RE: MUR 1871
Martin Frost Campaign Committee (82)
Betsy M. Beesley, Treasurer

Dear Ms. Beesley:

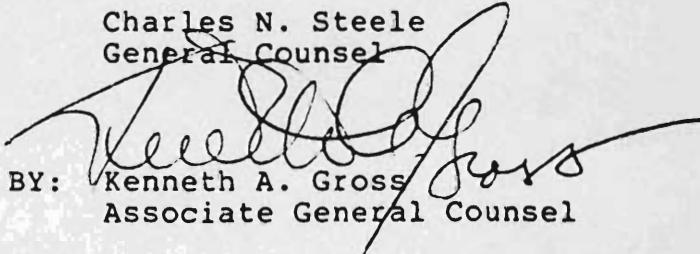
On May 21, 1984, the Commission notified Congressman Frost of the Commission's receipt of his letter concerning a notice he had received from the Center on National Labor Policy.

The Commission, on January 7, 1985, determined that on the basis of the information in the letter there is no reason to believe that a violation of any statute within its jurisdiction has been committed by the Martin Frost Campaign Committee or you as treasurer. Accordingly, the Commission closed its file in this matter as it pertains to the Committee and you, as treasurer. The General Counsel's Factual and Legal analysis which formed a basis for the Commission's finding is attached for your information.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. If you have any questions please direct them to Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Associate General Counsel

85040524046

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1871

RESPONDENT Martin Frost Campaign Committee
Betsy M. Beesley, Treasurer

SUMMARY OF ALLEGATIONS

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Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted contributions in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contributions received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Engineers Political Education Committee (EPEC) and the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) reflect violations of the Act by the Frost campaign's receipt and reporting of contributions for the general election which were reported for the primary election by the contributor committees.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or

their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that EPEC and Tx-MNPL are multicandidate committees. As such, they may contribute up to \$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are not affiliated within the meaning of 11 C.F.R. § 100.5(g) and, therefore, may each contribute up to the \$5,000 limit per election per candidate. Tx-MNPL is affiliated with the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees"), however, and thus shares a single limit of \$5,000 with that committee.

Commission records indicate that neither EPEC nor the MNPL committees contributed the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated (i.e., "checked the box") a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The \$2,500 check in question was contributed after the May 1, 1982 primary election on June 16, 1982. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed \$2,500 which they

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designated for the general election). The EPEC committee contributed \$6,000 which was designated on its FEC reports for the primary election. \$3,500 of that amount was contributed by check before the date of the primary election and the \$2,500 check questioned by the CNPL was contributed after the date of the primary election on June 9, 1982. No contemporaneous written communication accompanied this amount.

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the two June 1982 EPEC and Tx-MNPL contributions to the general election and reported them as contributions to the general election in its FEC filings. However, the EPEC and Tx-MNPL committees reported these contributions for the 1982 primary election by so designating the contributions on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
EPEC	\$1,000	5/6/81	P	P
	2,000	2/11/81	P	P
	500	3/4/82	P	P
	2,500	6/9/82	P	G
	(\$6,000)			(3,500-P; 2,500-G)
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)			(2,200-P; 2,500-G)
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)			(2,000-P; 2,500-G)

Primary Election Date: May 1, 1982.

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This Office, believes that the contributors' intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributors' intent regarding the contributions but not a written designation within the meaning of 11 C.F.R. § 110.1(a)..

The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing undesignated contributions received after the May 1, 1982 primary to the general election.

The EPEC letter contains boilerplate language requesting notification if this contribution is excessive. The Commission has previously determined this language not to be a sufficient written designation of an election. No other written, contemporaneous grant of consent by the contributor as to its designation is before the Commission. There is, however, evidence which suggests that EPEC did not violate 2 U.S.C. § 441a(a)(2)(A) but violated 11 C.F.R. § 104.14(d). Most importantly, the recipient, relying on the presumption of 11 C.F.R. § 110.1(a)(1) and having no debts, treated the contribution as for the General election. Thus this office recommends, that the Commission find no reason to believe that EPEC or the Frost Committee violated 2 U.S.C. § 441a(a)(2)(A) or 2 U.S.C. § 441a(f). However, EPEC's improper reporting of this

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contribution gives rise to a violation of 11 C.F.R. § 104.14(d) by EPEC. According to Commission records, EPEC has not complied with Congressman Frost's suggestion that it amend its report containing this contribution.

The Tx-MNPL letter simply says that the contribution is for the "forthcoming election." Since it was dated and received before the May 1 Primary the Tx-MNPL contribution may be seen as designated for the general election. Where 1) the contribution was dated after the date of the primary election, and 2) the recipient knowing that he had no debts from the primary says that he relied upon the presumption raised in 11 C.F.R. § 110.1, and the transmittal letter with the check referred to the "forthcoming election", this Office believes that the check should be considered as designated for the general election. The MNPL respondents have not violated 2 U.S.C. § 441a(a)(2)(A) but the TX-MNPL violated 11 C.F.R. § 104.14(d) by reporting their contribution for the primary when they had communicated a "general" election designation to the recipient by a contemporaneous writing. Accordingly, the General Counsel recommends that the Commission find no reason to believe a violation of 2 U.S.C. § 441a(a)(2)(A) was committed by EPEC. This Office recommends that the Commission find no reason to believe that the MNPL committees violated 2 U.S.C. § 441a(a)(2)(A), and reason to believe that the TX-MNPL violated 11 C.F.R. § 104.14(d). This office recommends that the Commission find no reason to believe that the Frost campaign violated 2 U.S.C. § 441a(f) or 11 C.F.R. § 104.14(d).

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 11, 1985

Mr. Eugene Glover, Treasurer
International Association of Machinists and
Aerospace Workers Non-Partisan
Political League
1300 Connecticut Avenue, N.W. - Suite 413
Washington, D.C. 20036

RE: MUR 1871
International Association of Machinists
and Aerospace Workers Non-Partisan
Political League
Eugene Glover, Treasurer

Dear Mr. Glover:

On January 7, 1985, the Federal Election Commission determined that there is no reason to believe that the International Association of Machinists and Aerospace Workers Non-Partisan Political League and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), or 11 C.F.R. § 104.14(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and Title 11, Code of Federal Regulations. The General Counsel's Factual and Legal analysis which formed a basis for the Commission's finding is attached for your information.

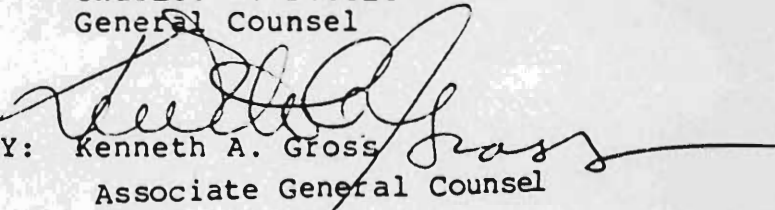
The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

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

If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Associate General Counsel

85040524052

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1871

RESPONDENT Machinists Non-Partisan
Political League
Eugene Glover, Treasurer

SUMMARY OF ALLEGATIONS

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Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted a contribution in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contribution received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) reflect violations of the Act by the Frost campaign's receipt and reporting of a contribution for the general election which was reported for the primary election by the contributor.

FACTUAL AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that MNPL and Tx-MNPL are multicandidate committees. As such, they may contribute up to \$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are affiliated within the meaning of 11 C.F.R. § 100.5(g). Therefore, Tx-MNPL and the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees") share a single limit of \$5,000 with that committee.

Commission records indicate that the MNPL committees did not contribute the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated (i.e., "checked the box") a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The \$2,500 check in question was contributed after the May 1, 1982 primary election on June 16, 1982. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed \$2,500 which they designated for the general election).

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June Tx-MNPL

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The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June contribution to the general election and reported it as a contribution to the general election in its FEC filings. However, the Tx-MNPL committee reported the contribution for the 1982 primary election by so designating the contribution on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)			(2,200-P; 2,500-G)
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)			(2,000-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office, believes that the contributor's intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributor's intent regarding the contribution but is not a written designation within the meaning of 11 C.F.R. § 110.1(a). The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing undesignated contributions received after the May 1, 1982 primary to the general election.

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The Tx-MNPL transmittal letter simply says that the accompanying contribution is for the "forthcoming election." Since it was dated and received before the May 1 Primary the Tx-MNPL contribution may be seen as designated for the general election. Where 1) the contribution was dated after the date of the primary election, and 2) the recipient knowing that he had no debts from the primary says that he relied upon the presumption raised in 11 C.F.R. § 110.1, and 3) the transmittal letter with the check referred to the "forthcoming election", this Office believes that the check should be considered as designated for the general election. The MNPL respondents have not violated 2 U.S.C. § 441a(a)(2)(A) but the TX-MNPL violated 11 C.F.R. § 104.14(d) by reporting their contribution for the primary when they had communicated a "general" election designation to the recipient by a contemporaneous writing. Accordingly, the General Counsel recommends that the Commission find no reason to believe that the MNPL committees violated 2 U.S.C. § 441a(a)(2)(A), and find reason to believe that the TX-MNPL violated 11 C.F.R. § 104.14(d) and close the file as to the MNPL Committee.

85040524056



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 11, 1985

Mr. Frank Hanley, Treasurer
Engineer's Political Education Committee
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

RE: MUR 1871
Engineer's Political Education
Committee
Frank Hanley, Treasurer

Dear Mr. Hanley:

On January 7, 1985, the Federal Election Commission determined that there is no reason to believe that the Engineer's Political Education Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also determined that there is reason to believe 11 C.F.R. § 104.14(d) a provision of Title 11, Code of Federal Regulations, had been violated by you, as treasurer, and the Engineers Political Education Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

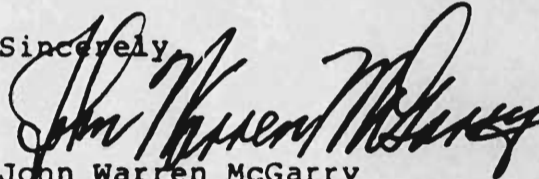
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Mr. Frank Hanley, Treasurer
MUR 1871
Page 2

The investigation now being conducted will be 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 Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,


John Warren McGarry
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040524058

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1871

RESPONDENT Engineers Political Education
Committee/International Union
of Operating Engineers
Frank Hanley, Treasurer

SUMMARY OF ALLEGATIONS

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Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted a contribution in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contribution received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Engineers Political Education Committee (EPEC) reflect violations of the Act by the Frost campaign's receipt and reporting of a contribution for the general election which was reported for the primary election by the contributor committee.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that EPEC is a multicandidate committee. As such, it may contribute up to \$5,000 to a federal candidate with respect to any election.

Commission records indicate that EPEC did not contribute the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. Nor did EPEC contribute in excess of \$5,000 during the period between the primary election and the general election.

EPEC contributed \$6,000 which was designated (i.e., "checked the box") in its FEC reports for the primary election. \$3,500 of that amount was contributed by check before the date of the primary election and the \$2,500 check questioned by the CNPL was contributed after the May 1, 1982 primary election on June 9, 1982. No contemporaneous, written communication accompanied this check.

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June contribution to the general election and reported it as a contribution to the general election in its FEC filings. However, EPEC reported the June 9, 1982 contribution for the 1982 primary election by so designating on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

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<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
EPEC	\$1,000	5/6/81	P	P
	2,000	2/11/81	P	P
	500	3/4/82	P	P
	2,500	6/9/82	P	G
	(\$6,000)			(3,500-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office, believes that the contributor's intentions regarding these contributions for the 1982 primary election are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributors' intent regarding the contributions but not a written designation within the meaning of 11 C.F.R. § 110.1(a).

The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing contribution received after the May 1, 1982 primary to the general election.

The EPEC letter contains boilerplate language requesting notification if this contribution is excessive. The Commission has previously determined this language not to be a sufficient written designation of an election. No other written, contemporaneous grant of consent by the contributor directing the recipient as to its designation is before the Commission. There is, however, evidence which suggests that EPEC did not violate 2 U.S.C. § 441a(a)(2)(A) but violated 11 C.F.R. § 104.14(d).

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Most importantly, the recipient, relying on the presumption of 11 C.F.R. § 110.1(a)(1) and having no debts, treated the contribution as for the General election. Thus this office recommends, that the Commission find no reason to believe that EPEC or the Frost Committee violated 2 U.S.C. § 441a(a)(2)(A) or 2 U.S.C. § 441a(f). However, EPEC's improper reporting of this contribution gives rise to a violation of 11 C.F.R. § 104.14(d) by EPEC. According to Commission records, EPEC has not complied with Congressman Frost's suggestion that it amend its report containing this contribution.

Accordingly, the General Counsel recommends that the Commission find no reason to believe a violation of 2 U.S.C.

§ 441a(a)(2)(A) was committed by EPEC.

85040524062



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 11, 1985

Mr. Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Non-Partisan
Political League
7208 Smokey Hill Drive
Austin, Texas 78736

RE: MUR 1871
Texas State Council of Machinists
and Aerospace Workers Non-Partisan
Political League
Walter F. Manchac, Treasurer

Dear Mr. Manchac:

On January 7, 1985, the Federal Election Commission determined that there is no reason to believe that the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also determined that there is reason to believe that the Tx-MNPL and you, as treasurer, violated 11 C.F.R. § 104.14(d), a provision of Title 11, Code of Federal Regulations. The General Counsel's Factual and Legal Analysis which formed a basis for the Commission's findings is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

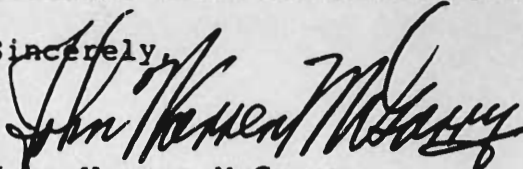
In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

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Mr. Walter F. Manchac
MUR 1871
Page 2

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Sincerely,



John Warren McGarry
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

35040524064

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1871

RESPONDENT Texas State Council of Machinists
and Aerospace Workers Non-Partisan
Political League
Walter F. Manchac, Treasurer

SUMMARY OF ALLEGATIONS

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Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted a contribution in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contribution received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) reflect violations of the Act by the Frost campaign's receipt and reporting of a contribution for the general election which was reported for the primary election by the contributor.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or

their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that MNPL and Tx-MNPL are multicandidate committees. As such, they may contribute up to \$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are affiliated within the meaning of 11 C.F.R. § 100.5(g). Therefore, Tx-MNPL and the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees"), share a single limit of \$5,000.

Commission records indicate that the MNPL committees did not contribute the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated (i.e., "checked the box") a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The \$2,500 check in question was contributed after the May 1, 1982 primary election on June 16, 1982. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed \$2,500 which they designated for the general election).

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The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June contribution to the general election and reported it as a contribution to the general election in its FEC filings. However, the Tx-MNPL committee reported the contribution for the 1982 primary election by so designating the contribution on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)			(2,200-P; 2,500-G)
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)			(2,000-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office, believes that the contributor's intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributor's intent regarding the contribution but is not a written designation within the meaning of 11 C.F.R. § 110.1(a). The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing undesignated contributions received after the May 1, 1982 primary to the general election.

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The TX-MNPL transmittal letter simply says that the accompanying contribution is for the "forthcoming election." Since it was dated and received after the May 1 Primary the Tx-MNPL contribution may be seen as designated for the general election. Where 1) the contribution was dated after the date of the primary election, and 2) the recipient knowing that he had no debts from the primary says that he relied upon the presumption raised in 11 C.F.R. § 110.1, and 3) the transmittal letter with the check referred to the "forthcoming election", this Office believes that the check should be considered as designated for the general election. The MNPL respondents have not violated 2 U.S.C. § 441a(a)(2)(A) but the TX-MNPL violated 11 C.F.R. § 104.14(d) by reporting their contribution for the primary when they had communicated a "general" election designation to the recipient by a contemporaneous writing. Accordingly, the General Counsel recommends that the Commission find no reason to believe that the MNPL committees violated 2 U.S.C. § 441a(a)(2)(A) and find reason to believe that the Tx-MNPL committee violated 11 C.F.R. § 104.14(d).

35040524058



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BRR
1/10/85

Mr. Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Non-Partisan
Political League
7208 Smokey Hill Drive
Austin, Texas 78736

RE: MUR 1871
Texas State Council of Machinists
and Aerospace Workers Non-Partisan
Political League
Walter F. Manchac, Treasurer

Dear Mr. Manchac:

On January 7, 1985, the Federal Election Commission determined that there is no reason to believe that the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also determined that there is reason to believe that the Tx-MNPL and you, as treasurer, violated 11 C.F.R. § 104.14(d), a provision of Title 11, Code of Federal Regulations. The General Counsel's Factual and Legal Analysis which formed a basis for the Commission's findings is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

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Mr. Walter F. Manchac
MUR 1871
Page 2

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Sincerely,

John Warren McGarry
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040524070



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

PAR
1/10/85

Mr. Frank Hanley, Treasurer
Engineer's Political Education Committee
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

RE: MUR 1871
Engineer's Political Education
Committee
Frank Hanley, Treasurer

Dear Mr. Hanley:

On January 7, 1985, the Federal Election Commission determined that there is no reason to believe that the Engineer's Political Education Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also determined that there is reason to believe 11 C.F.R. § 104.14(d) a provision of Title 11, Code of Federal Regulations, had been violated by you, as treasurer, and the Engineers Political Education Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

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Mr. Frank Hanley, Treasurer
MUR 1871
Page 2

The investigation now being conducted will be 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 Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040524072



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

PAN
4/10/85

Mr. Eugene Glover, Treasurer
International Association of Machinists and
Aerospace Workers Non-Partisan
Political League
1300 Connecticut Avenue, N.W. - Suite 413
Washington, D.C. 20036

RE: MUR 1871
International Association of Machinists
and Aerospace Workers Non-Partisan
Political League
Eugene Glover, Treasurer

Dear Mr. Glover:

On January 7, 1985, the Federal Election Commission determined that there is no reason to believe that the International Association of Machinists and Aerospace Workers Non-Partisan Political League and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), or 11 C.F.R. § 104.14(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and Title 11, Code of Federal Regulations. The General Counsel's Factual and Legal analysis which formed a basis for the Commission's finding is attached for your information.

The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

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

If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

85040524073



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

*RRR
1/10/85*

Ms. Betsy M. Beesley, Treasurer
Martin Frost Campaign Committee (82)
P.O. Box 4219 Station A
Dallas, Texas 75208

RE: MUR 1871
Martin Frost Campaign Committee (82)
Betsy M. Beesley, Treasurer

Dear Ms. Beesley:

On May 21, 1984, the Commission notified Congressman Frost of the Commission's receipt of his letter concerning a notice he had received from the Center on National Labor Policy.

The Commission, on January 7, 1985, determined that on the basis of the information in the letter there is no reason to believe that a violation of any statute within its jurisdiction has been committed by the Martin Frost Campaign Committee or you as treasurer. Accordingly, the Commission closed its file in this matter as it pertains to the Committee and you, as treasurer. The General Counsel's Factual and Legal analysis which formed a basis for the Commission's finding is attached for your information.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. If you have any questions please direct them to Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

35040524074



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cut*
DATE: January 3, 1985
SUBJECT: PM 124 - First General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote ☒
Sensitive ☒
Non-Sensitive ☐

24 Hour No Objection ☐
Sensitive ☐
Non-Sensitive ☐

Information ☐
Sensitive ☐
Non-Sensitive ☐

Other ☐

DISTRIBUTION

Compliance ☒

Audit Matters ☐

Litigation ☐

Closed MUR Letters ☐

Status Sheets ☐

Advisory Opinions ☐

Other (see distribution below) ☐

35040524075

SENSITIVE

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

FIRST GENERAL COUNSEL'S REPORT AM 3 PM 12:04

DATE AND TIME OF TRANSMITTAL BY
OGC TO THE COMMISSION 1/3/85 - 12:00

Pre-MUR NO. 124
STAFF MEMBER
Paul Reyes

SOURCE OF Pre-MUR: Representative Martin Frost, sua sponte

RESPONDENTS' NAMES: Engineers Political Education Committee/
International Union of Operating Engineers
(EPEC)

Frank Hanley, Treasurer
Machinists Non-Partisan Political League
(MNPL), Eugene Glover, Treasurer
Texas State Council of Machinists and
Aerospace Workers Non-Partisan Political
League (Tx-MNPL)

Walter F. Manchac, Treasurer
Martin Frost Campaign Committee
Betsy M. Beesley, Treasurer

RELEVANT STATUTES: 2 U.S.C. § 441a(f)
2 U.S.C. § 441a(a)(2)(A)
11 C.F.R. § 104.14(d)
11 C.F.R. § 110.1
11 C.F.R. § 110.2

INTERNAL REPORTS
CHECKED: Committee Reports

FEDERAL AGENCIES
CHECKED: None

GENERATION OF MATTER

This matter was generated by a letter from Congressman Frost to Commissioner McDonald which explained a series of letters between the Center on National Labor Policy, Inc. (the "Center" or "CNLP") and the Congressman.

SUMMARY OF ALLEGATIONS

Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the

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Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted contributions in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contributions received to the general election instead of the primary. The Center maintains, however, that since the records filed with the Commission by the Engineers Political Education Committee (EPEC) and the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) indicate that these were for the primary election, the Frost campaign's receipt and reporting of contributions for the general election are violations of the Act.

FACTUAL AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that EPEC and Tx-MNPL are multicandidate committees. As such, they may contribute up to

\$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are not affiliated within the meaning of 11 C.F.R. § 100.5(g) and, therefore, may each contribute up to the \$5,000 limit per election per candidate. Tx-MNPL is affiliated with the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees"), however, and thus shares a single limit of \$5,000 with that committee.

Commission records indicate that neither EPEC nor the MNPL committees contributed the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The additional \$2,500 was contributed by a check dated June 16, 1982, after the May 1, 1982 primary election. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed an additional \$2,500 which they designated for the general election). The EPEC committee contributed \$6,000 which was designated on its FEC reports for the primary election. \$3,500 of that amount was contributed by check before the date of the primary election and the \$2,500 check questioned by the CNLP was contributed after the date of the primary election on June 9, 1982. No contemporaneous, written communication accompanied this amount.

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The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the two June 1982 EPEC and Tx-MNPL contributions to the general election and reported them as contributions to the general election in its FEC filings. However, the EPEC and Tx-MNPL committees reported these contributions for the 1982 primary election by so designating the contributions on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desiq.</u>	<u>Elect Recip. Desiq.</u>
EPEC	\$1,000	5/6/81	P	P
	2,000	2/11/81	P	P
	500	3/4/82	P	P
	2,500	6/9/82	P	G
	(\$6,000)			(3,500-P; 2,500-G)
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)			(2,200-P; 2,500-G)
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)			(2,000-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office believes that the contributors' intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1(a), Title 11, Code of Federal Regulations, to this

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series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributors' intent regarding the contributions but not a written designation within the meaning of 11 C.F.R. § 110.1(a). The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing contributions received after the May 1, 1982, primary to the general election.

The EPEC letter contains boilerplate language requesting notification if this contribution is excessive. The Commission has previously determined this language not to be a sufficient written designation of an election. No other written, contemporaneous grant of consent by the contributor directing the recipient as to its designation is before the Commission. There is, however, evidence which suggests that EPEC did not violate 2 U.S.C. § 441a(a)(2)(A) but violated 11 C.F.R. § 104.14(d). EPEC had contributed \$3,500 before the date of the Primary. Well after the date of that election it contributed the \$2,500 in question. Most importantly, the recipient, relying on the presumption of 11 C.F.R. § 110.1(a)(1) and having no debts, treated the contribution as for the General election. Thus this office recommends, that the Commission find no reason to believe that EPEC or the Frost Committee violated 2 U.S.C. § 441a(a)(2)(A) or 2 U.S.C. § 441a(f). However, EPEC's improper reporting of this contribution gives rise to a violation of 11 C.F.R. § 104.14(d) by EPEC. According to Commission records,

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EPEC has not complied with Congressman Frost's suggestion that it amend its report containing this contribution.

The TX-MNPL transmittal letter says that the contribution is for the "forthcoming election." Since the contribution was made after the May 1, 1982, Primary, the TX-MNPL contribution is allocable to the General election. The accompanying letter which made reference to the "forthcoming election" in no way alters the operation of the presumption of 11 C.F.R. § 110.1. In fact, in this case, it reaffirms the application of the contribution to the General election. Thus, where TX-MNPL reported the contribution to the Primary by checking the Primary box on its report, it violated 11 C.F.R. § 104.14(d). However, as noted, neither the MNPL Committees nor the EPEC Committee violated 2 U.S.C. § 441a(a)(2)(A).

Accordingly, the General Counsel recommends that there is no reason to believe that EPEC or the MNPL Committees violated 2 U.S.C. § 441a(a)(2)(A) and that there is reason to believe that the EPEC and TX-MNPL violated 11 C.F.R. § 104.14(d).

RECOMMENDATIONS

1. Open a MUR.
2. Find no reason to believe that the Machinists Non-Partisan Political League, and Eugene Glover, as Treasurer, and its affiliate, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as Treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making a contribution to the Martin Frost Campaign Committee in connection with the 1982 primary election and close the file as to the Machinists Non-Partisan Political League and Eugene Glover.

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3. Find no reason to believe that the Machinists Non-Partisan Political League, and Eugene Glover, as Treasurer, violated 11 C.F.R. § 104.14(d), and close the file as to the Machinists Non-Partisan Political League, and Eugene Glover.
4. Find reason to believe that the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as Treasurer, violated 11 C.F.R. § 104.14(d).
5. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as Treasurer, violated 2 U.S.C. § 441a(f) by accepting a contribution from the Machinists Non-Partisan Political League, and Eugene Glover, as Treasurer, and its affiliate, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League Committee, and Walter F. Manchac, as Treasurer and close the file as to the Martin Frost Campaign Committee and Betsy M. Beesley.
6. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as Treasurer, violated 11 C.F.R. § 104.14(d) by reporting contributions received from the MNPL Committees in connection with the 1982 Texas primary election.
7. Find no reason to believe that the Engineers Political Education Committee, and Frank Hanley, as Treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making a contribution to the Martin Frost Campaign Committee in connection with the 1982 primary election in Texas.
8. Find reason to believe that the Engineers Political Education Committee, and Frank Hanley, as Treasurer, violated 11 C.F.R. § 104.14(d) in reporting a primary election contribution to the Martin Frost Campaign Committee in connection with the 1982 Texas primary election.
9. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as Treasurer, violated 2 U.S.C. § 441a(f) by accepting a 1982 primary contribution from the Engineers Political Education Committee.
10. Find no reason to believe that the Martin Frost Campaign Committee, and Betsy M. Beesley, as Treasurer, violated 11 C.F.R. § 104.14(d) in reporting contributions from the Engineers Political Education Committee in connection with the 1982 primary election in Texas and close the file as to the Martin Frost Campaign Committee and Betsy M. Beesley.

85040524032

11. Approve and send the attached letters.

Charles N. Steele
General Counsel

January 3, 1985
Date

BY:

Kenneth A. Gross
Associate General Counsel

Attachments

Frost Correspondence

Notification Letters with Factual and Legal Analyses

85040524033

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3605

Congress of the United States
House of Representatives
Washington, D.C. 20515

DALLAS, TEXAS 75205
REPUBLIC BANK TOWER, ROOM 1315
400 SOUTH ZANE BOULEVARD
(214) 757-2015
GRAND PRIZE TEXAS 75051
REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEMAN
(214) 757-1503
PLEASE REPLY TO
OFFICE CHECKED

May 17, 1984

The Honorable Danny L. McDonald
Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

Dear Mr. Chairman:

As you may know, the Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats. On April 20 I received notice from the Center (copy enclosed) alleging that my 1982 campaign committee had misreported some contributions and received excessive contributions in violation of the Federal Election Campaign Act. The contributions questioned by the Center came from the Engineers Political Education Committee/International Union of Operating Engineers, and the Machinists Non-Partisan Political League and its affiliated separate fund, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League.

The Center overlooked the fact that the two checks cited as putting the Machinists and Engineers over their legal limit were dated well after the May 1, 1982 Texas primary. Neither check indicated a primary or general election designation and the cover letters accompanying the checks state that the contribution is for "Congressman Frost's re-election campaign" in the case of the Engineers PAC, and in the case of the Machinists PAC mention is made only of the "upcoming election". Under these circumstances, the FEC Code stipulates that undesignated contributions received after the primary but before the general election are presumed to be for the general election and count against that limit.

However, it does appear that the Machinists and Engineers PACs incorrectly reported these contributions toward the May 1, 1982 primary limit on the FEC Form 3X. In an effort to correct the discrepancy, I have contacted the PACs, notified them of the error, and suggested they file an amended FEC Form 3X (copies enclosed).

Hopefully, this will satisfy any questions you may have about the matter but I urge you to contact me if I can be of any additional assistance.

Attachment 1

Sincerely,

Martin Frost
Martin Frost

11
p3:42

35040524084



The Center On National Labor Policy, Inc.

5211 Port Royal Road, Suite 400

North Springfield, Virginia 22151

(703) 321-9180

Steve M. Antosh

Executive Director

April 27, 1984

Congressman Martin Frost
House of Representatives
Longworth House Office Bldg., Room 1238
Washington, D.C. 20515

Re: Campaign contributions from Engineers Political Education
Committee/International Union of Operating Engineers
("EPEC/IUOE") and Texas State Council of Machinists and
Aerospace Workers Non-Partisan Political League
("TSCMAWNPL").

Dear Congressman Frost:

Thank you for your prompt response to my letter of April 20, 1984. According to the letters your campaign committee received from EPEC/IUOE and TSCMAWNPL, which you provided us, the contributions in question appear not to be designated for a particular election. Since they were made after the primary election, your campaign committee was probably correct in designating them as contributions for the general election.

However, the contributions were in fact designated by EPEC/IUOE and TSCMAWNPL on their respective FEC FORMs 3X as contributions for the primary election (copies enclosed). Consequently, the Federal Election Commission's records reflect violations of the Federal Election Campaign Act by your receipt.

In order to remedy the situation, two alternatives are available. I suggest that you contact EPEC/IUOE and TSCMAWNPL and request that they file amended FEC FORMs 3X indicating that the contributions were for the general election. Otherwise, you must return the money and amend your FEC forms. If you notify us of your appropriate action regarding this matter, we will not take any action with the Federal Election Commission.

Sincerely,

Steve M. Antosh
Executive Director

85040524035

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 (to Full)

Engineers Political Education Committee (RPEC)/International Union of Operating Engineers (IUOE)

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Thompson for Congress Committee 8513 Redoak Drive, NE Warren, Ohio 44484	Cand. Gary H. Thompson (D) Ohio, 17th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Feighan for Congress Committee 15401 Detroit Avenue Lakewood, Ohio 44107	Cand. Edward Feighan (D), Ohio, 19th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$1,500.00	6/9/82	\$1,000.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Stokes for Congress Committee Post Office Box 8038 Washington, DC 20024	Cong. Louis Stokes (D) Ohio, 21st C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/9/82	\$500.00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Friends of Congressman Dougherty 403 "C" Street, SE, #3 Washington, DC 20003	Cong. Charlie Dougherty (R) PA, 4th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Hochendorfer for Congress Committee 107 North Second Street Ebensburg, Pennsylvania 17101	Cand. Larry Hochendorfer (D) PA, 17th, C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Michaelson for U.S. Senate Committee 531 Pautaux Avenue Pautaux, Rhode Island 02860	Cand. Julius Michaelson (D) USS, Rhode Island Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$5,000.00	6/9/82	\$4,000.00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Tallon for Congress Committee 912 West Evans Street Florence, South Carolina 29501	Cand. Robert Tallon (D) SC, 6th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Coleman for Congress Committee 715 North Oregon El Paso, Texas	Cand. Ron Coleman (D) U.S.H.R., Texas, 16th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$2,000.00	6/9/82	\$1,000.00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin Frost Campaign Committee 721 Wynnewood Village Shopping Dallas, Texas 75224	Cong. Martin Frost (D), Texas, 24th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$2,500.00	6/9/82	\$2,500.00

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1
 Line Number
 Use separate sheets for each category of the following categories:
 Subtotal Page:

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) **Texas State Council of Machinists and Aerospace Workers
 Machinists Non-Partisan Political League**

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin Frost P. O. Box 4219 Dallas, Texas 75208	Disbursement for: ☒ Primary ☐ General ☐ Other (specify):	6-16-82	\$2,500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (attach sheet)

TOTAL This Period (last page this line number only)

2,500.00

85040524037
 02032530275

4

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGMOUTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3608

Congress of the United States
House of Representatives
Washington, D.C. 20515

☐ REPUBLIC BANK TOWER, ROOM 1219
400 SOUTH LANE BOULEVARD
DALLAS, TEXAS 75201
(214) 787-2816
☐ GRAND PRAIRIE, TEXAS 75051
REPUBLIC BANK TOWER, ROOM 720
801 WEST FARMWAY
DALLAS, TEXAS 75041
(214) 282-1803
PLEASE REPLY TO
OFFICE CHECKED

May 7, 1984

Mr. Frank Hanley
Treasurer
Engineer's Political Education Committee
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

Dear Frank:

As you may know, the Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats including myself. On April 20 I was informed by the Center that the Engineers' June, 1982 contribution to my campaign (a contribution of \$2,500.00) was credited toward the primary election and, as such, put the Engineers over the legal contribution limit in my campaign.

In fact, my campaign committee received your check well after the May 1, 1982 Texas primary. The check did not indicate a primary or general election designation and your cover letter accompanying the check stated only that the contribution was for "Congressman Frost's re-election campaign". The FEC Code stipulates that undesigned contributions received after a primary, but before the general election, are presumed to be for the general election and count against that limit, which is the limit my treasurer applied your contribution against. It does appear, however, that the Engineers' PAC reported the contribution toward the primary and not the general election (see the attached copy of your FEC Form 3X).

This amounts to nothing more than a bookkeeping error but the Center on National Labor Policy intends to pursue it with the FEC unless it's corrected. To avoid problems, I'm asking that you file an amended form 3X indicating that the June, 1982 contribution was for the general election. I regret the inconvenience to you but feel this is the most prudent course to take under the circumstances.

If you have any questions feel free to let me know. I very much appreciate your assistance.

Sincerely,

Martin Frost

MF/bm
enclosures

5

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 221-3405

Congress of the United States

House of Representatives

Washington, D.C. 20515

DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANE BOULEVARD
(214) 767-2816
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1803
PLEASE REPLY TO
OFFICE CHECKED

May 7, 1984

Mr. Rue Spencer
General Vice President
International Association of Machinists
and Aerospace Workers
1300 Connecticut Avenue, NW
Washington, D.C. 20036

Dear Rue:

8 5 0 4 0 5 2 4 0 8 9
The Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats, including myself. On April 20 I was informed by the Center that the Machinists' June, 1982 contribution to my re-election campaign (a contribution of \$2,500.00) was credited toward the primary election and, as such, put the Machinists over the legal contribution limit in my campaign.

In fact, my campaign committee received your check well after the May 1, 1982 Texas primary. The check did not indicate a primary or general election designation and your cover letter accompanying the check made mention only of the "upcoming election". The FEC Code stipulates that undesignated contributions received after a primary, but before the general election, are presumed to be for the general election and count against that limit, which is the limit my treasurer applied your contribution against. It does appear, however, that the Machinists PAC reported the contribution toward the primary and not the general election (see the attached copy of your FEC Form 3X).

This amounts to nothing more than a bookkeeping error but the Center on National Labor Policy will probably pursue it with the FEC unless it's corrected. To avoid problems, I'm asking that you file an amended form 3X indicating that the June, 1982 contribution was for the general election. I regret the inconvenience to you but feel this is the most prudent course to take under the circumstances.

If you have any questions, feel free to let me know; I very much appreciate your assistance.

Sincerely,

Martin Frost

MF/bm
enclosures

J. C. TURNER
Chairman

FRANK HANLEY
Treasurer

1125 Seventeenth Street, N.W.
Washington, D.C. 20036
202-347-8560

Engineers Political Education Committee

June 21, 1982

MARTIN FROST CAMPAIGN COMMITTEE
721 Wynnwood Village Shopping Center
Dallas, Texas 75224

Attn: Treasurer

Dear Sir:

Attached hereto is our check No. 000714 in the amount of \$2,500.00 as a contribution from the Engineers Political Education Committee of the International Union of Operating Engineers for Congressman Frost's re-election campaign.

If this check together with any other contributions from our Local Unions exceeds the amount provided by Federal Law, please advise.

Sincerely,

J. C. Turner
J. C. Turner
CHAIRMAN

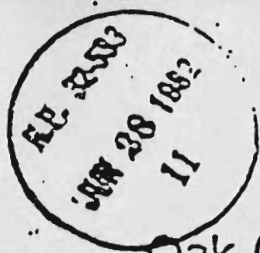
Frank Hanley
Frank Hanley
TREASURER

JCT:FH/kmg

Enc. (1)

7

85040524090



ACCOUNT NO. 101-0-2

CHECKING	☒
SAVINGS	☐
LOAN	☐

NO. OF CHECKS 2

CASH IN	
CASH OUT	
TOTALS	5890.00

	500.00
	250.00
	250.00
	250.00
	1,640.00
	5,890.00

Oak Cliff Bank
& Trust Company

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT TO THIS ACCOUNT SUBJECT TO FINAL PAYMENT RECEIVED IN CASH OR SOLVENT CREDITS AND THE RULES AND REGULATIONS OF THIS BANK NOW IN EFFECT.

ADDITIONAL LISTING

Engineers Political Education Committee (E.P.E.C.)
1125 SEVENTEENTH STREET NORTHWEST WASHINGTON, D. C. 20036

No. 000714

DATE 7-10-62

PAY TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS \$2,500.00

TO THE ORDER OF VETTED FROST Campaign Committee ENGINEERS POLITICAL EDUCATION COMMITTEE

AT FIRST NATIONAL BANK OF WASHINGTON - WASHINGTON, D.C.

ATTACHED CHECK IS IN SETTLEMENT OF ACCOUNT. PLEASE RETURN TO

Contribution

ENGINEERS POLITICAL EDUCATION COMMITTEE (E.P.E.C.)

350/40524021



INTERNATIONAL ASSOCIATION of MACHINISTS
and AEROSPACE WORKERS

MACHINISTS BUILDING, 1300 CONNECTICUT AVENUE, WASHINGTON, D. C. 20036

Office of the
GENERAL VICE PRESIDENT
1111 West Mockingbird Lane, Suite 1387
Dallas, Texas 75247
(214) 638-4543

Area Code 202
857-5200

June 28, 1982

Hon. Martin Frost
United States Congressman
Post Office Box 4219
Dallas, Texas 75208

Dear Martin:

Enclosed is a check in the amount of \$2,500.00 payable to the
Martin Frost Campaign Committee and we wish you success in the
forthcoming election.

Sincerely,

Rue Spencer
GENERAL VICE PRESIDENT

RS:mee

Enclosure

cc: Holayter
Bertani, BR
Manchac, ST

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1230 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225 3405

Congress of the United States
House of Representatives
Washington, D.C. 20515

DALLAS, TEXAS 75201
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ELM STREET
(214) 767-2816
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1803
PLEASE REPLY TO
OFFICE CHECKED

April 24, 1984

Mr. Steve M. Antosh
Executive Director
The Center on National Labor Policy, Inc.
5211 Port Royal Road
Suite 400
North Springfield, Va. 22151

Dear Mr. Antosh:

This is in response to your April 20 letter in which you allege that my 1982 campaign committee misreported some contributions and received excessive contributions in violation of the Federal Election Campaign Act. The sources of the two contributions you cited were the Engineers Political Education Committee/International Union of Operating Engineers; and the Machinists Non-Partisan Political League and its affiliated separate fund, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League.

I am enclosing copies of the two checks you cited as putting the Engineers and Machinists over their legal limit. You will note that both are dated well after the May 1, 1982 Texas primary. Neither check indicates a primary or general election designation and the cover letters accompanying the checks (copies enclosed) state that the contribution is for "Congressman Frost's re-election campaign" in the case of the Engineers PAC, and in the case of the Machinists PAC mention is made only of the "upcoming election".

FEC Code 110.1(a)(2)(ii) states: "Undesignated contributions received after the primary, but before the general elections, are presumed to be for the general election and count against that limit." This provision clearly applies to these contributions. Also relevant in this case is FEC Code 110.1(a)(2)(i) which states: "After the primary, but before the general election, candidates may receive contributions to retire a primary debt provided that: the contributions do not exceed the net outstanding debt of the primary; and each such contribution is specifically designated by the donor to retire the primary debt. As such, it counts against the contribution limits for the primary." Not only was there no primary debt to retire, there would have had to have been a specific designation on or accompanying these contributions for me to apply them to anything but the general election.

I hope this clears up any misperceptions you may have had regarding my 1982 campaign contributions.

Sincerely,

Martin Frost

MF/bm

DEPOSIT RECEIPT

1450781

ACCOUNT NO.

104-515

CHECKING	
SAVINGS	
LOAN	

NO. OF CHECKS

CASH IN

CASH OUT

TOTALS

4360

2,500	00
1,000	00
500	00
100	00
100	00
100	00
60	00
4,360	00

TOTAL DEPOSIT

Oak Cliff Bank
& Trust Company



ALL DEPOSITS ARE SUBJECT TO THE RULES AND REGULATIONS OF THIS BANK NOW IN EFFECT.

MACHINISTS NON-PARTISAN
POLITICAL LEAGUE

GENERAL FUND

1300 CONNECTICUT AVE., N.W.
WASHINGTON, D.C. 20004

June 23,

19 62

4345

PAY TO THE
ORDER OF

Martin Frost Campaign Committee

\$ 2,500.00

THE SUM OF 2500 DOLS 00 CTS

DOLLARS

1st AMERICAN

George I. Paul
H. A. Klein

CHAIRMAN

Republic National Bank
of Dallas



24 00 THREE THOUSAND DOLLARS

Pay to the Order of

Martin Frost Campaign

June 25 19 62

\$1,177

One thousand one hundred and seventy seven

CHARLES M. HANSEN, JR.

Charles M. Hansen

CHARLES M. HANSEN, JR.
111 MINT WAY PH. 214.333.3225
DALLAS, TEXAS 75237



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 21, 1984

The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Frost:

Thank you for your recent letter concerning the notice you received from the Center on National Labor Policy regarding your campaign committee.

Under the terms of the Federal Election Campaign Act of 1971, as amended, the Federal Election Commission annually elects a Chairman and a Vice Chairman from among its members to serve a one year term of office.

At its regular public meeting on December 15, 1983; the Commission elected Lee Ann Elliott and Thomas E. Harris to serve as Chairman and Vice Chairman respectively for the ensuing year. The effective date of Commissioner Elliott's term of office was January 1, 1984. As of that date, all official correspondence addressed to the Chairman of the Federal Election Commission is being referred to Mrs. Elliott's office.

Please be assured that I remain available for any inquiries that you may have about the FEC.

Sincerely,

Danny McDonald

DANNY L. McDONALD
Commissioner

DLM/sh

cc: Chairman Elliott



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ms. Betsy M. Beesley, Treasurer
Martin Frost Campaign Committee (82)
P.O. Box 4219 Station A
Dallas, Texas 75208

RE: MUR
Martin Frost Campaign Committee (82)
Betsy M. Beesley, Treasurer

Dear Ms. Beesley:

On May 21, 1984, the Commission notified Congressman Frost of the Commission's receipt of his letter concerning a notice he had received from the Center on National Labor Policy.

The Commission, on , 198 , determined that on the basis of the information in the letter there is no reason to believe that a violation of any statute within its jurisdiction has been committed by the Martin Frost Campaign Committee or you as treasurer. Accordingly, the Commission closed its file in this matter as it pertains to the Committee and you, as treasurer. The General Counsel's Factual and Legal analysis which formed a basis for the Commission's finding is attached for your information.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. If you have any questions please direct them to Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Attachment 2

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Martin Frost Campaign Committee
Betsy M. Beesley, Treasurer

SUMMARY OF ALLEGATIONS

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Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted contributions in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contributions received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Engineers Political Education Committee (EPEC) and the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) reflect violations of the Act by the Frost campaign's receipt and reporting of contributions for the general election which were reported for the primary election by the contributor committees.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or

their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that EPEC and Tx-MNPL are multicandidate committees. As such, they may contribute up to \$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are not affiliated within the meaning of 11 C.F.R. § 100.5(g) and, therefore, may each contribute up to the \$5,000 limit per election per candidate. Tx-MNPL is affiliated with the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees"), however, and thus shares a single limit of \$5,000 with that committee.

Commission records indicate that neither EPEC nor the MNPL committees contributed the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated (i.e., "checked the box") a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The \$2,500 check in question was contributed after the May 1, 1982 primary election on June 16, 1982. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed \$2,500 which they

designated for the general election). The EPEC committee contributed \$6,000 which was designated on its FEC reports for the primary election. \$3,500 of that amount was contributed by check before the date of the primary election and the \$2,500 check questioned by the CNPL was contributed after the date of the primary election on June 9, 1982. No contemporaneous written communication accompanied this amount.

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the two June 1982 EPEC and Tx-MNPL contributions to the general election and reported them as contributions to the general election in its FEC filings. However, the EPEC and Tx-MNPL committees reported these contributions for the 1982 primary election by so designating the contributions on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
EPEC	\$1,000	5/6/81	P	P
	2,000	2/11/81	P	P
	500	3/4/82	P	P
	2,500	6/9/82	P	G
	(\$6,000)		(3,500-P; 2,500-G)	
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)		(2,200-P; 2,500-G)	
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)		(2,000-P; 2,500-G)	

Primary Election Date: May 1, 1982.

85040524099

16

This Office, believes that the contributors' intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributors' intent regarding the contributions but not a written designation within the meaning of 11 C.F.R. § 110.1(a)..

The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing undesignated contributions received after the May 1, 1982 primary to the general election.

The EPEC letter contains boilerplate language requesting notification if this contribution is excessive. The Commission has previously determined this language not to be a sufficient written designation of an election. No other written, contemporaneous grant of consent by the contributor as to its designation is before the Commission. There is, however, evidence which suggests that EPEC did not violate 2 U.S.C. § 441a(a)(2)(A) but violated 11 C.F.R. § 104.14(d). Most importantly, the recipient, relying on the presumption of 11 C.F.R. § 110.1(a)(1) and having no debts, treated the contribution as for the General election. Thus this office recommends, that the Commission find no reason to believe that EPEC or the Frost Committee violated 2 U.S.C. § 441a(a)(2)(A) or 2 U.S.C. § 441a(f). However, EPEC's improper reporting of this

35040524100

contribution gives rise to a violation of 11 C.F.R. § 104.14(d) by EPEC. According to Commission records, EPEC has not complied with Congressman Frost's suggestion that it amend its report containing this contribution.

35040524101

The Tx-MNPL letter simply says that the contribution is for the "forthcoming election." Since it was dated and received before the May 1 Primary the Tx-MNPL contribution may be seen as designated for the general election. Where 1) the contribution was dated after the date of the primary election, and 2) the recipient knowing that he had no debts from the primary says that he relied upon the presumption raised in 11 C.F.R. § 110.1, and the transmittal letter with the check referred to the "forthcoming election", this Office believes that the check should be considered as designated for the general election. The MNPL respondents have not violated 2 U.S.C. § 441a(a)(2)(A) but the TX-MNPL violated 11 C.F.R. § 104.14(d) by reporting their contribution for the primary when they had communicated a "general" election designation to the recipient by a contemporaneous writing. Accordingly, the General Counsel recommends that the Commission find no reason to believe a violation of 2 U.S.C. § 441a(a)(2)(A) was committed by EPEC. This Office recommends that the Commission find no reason to believe that the MNPL committees violated 2 U.S.C. § 441a(a)(2)(A), and reason to believe that the TX-MNPL violated 11 C.F.R. § 104.14(d). This office recommends that the Commission find no reason to believe that the Frost campaign violated 2 U.S.C. § 441a(f) or 11 C.F.R. § 104.14(d).

18



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Mr. Eugene Glover, Treasurer
International Association of Machinists and
Aerospace Workers Non-Partisan
Political League
1300 Connecticut Avenue, N.W. - Suite 413
Washington, D.C. 20036

RE: MUR
International Association of Machinists
and Aerospace Workers Non-Partisan
Political League
Eugene Glover, Treasurer

Dear Mr. Glover:

On , 198 , the Federal Election Commission determined that there is no reason to believe that the International Association of Machinists and Aerospace Workers Non-Partisan Political League and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), or 11 C.F.R. § 104.14(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and Title 11, Code of Federal Regulations. The General Counsel's Factual and Legal analysis which formed a basis for the Commission's finding is attached for your information.

The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

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

If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

35040524102

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Machinists Non-Partisan
Political League
Eugene Glover, Treasurer

SUMMARY OF ALLEGATIONS

3
5
0
4
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0
3

Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted a contribution in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contribution received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) reflect violations of the Act by the Frost campaign's receipt and reporting of a contribution for the general election which was reported for the primary election by the contributor.

FACTUAL AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that MNPL and Tx-MNPL are multicandidate committees. As such, they may contribute up to \$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are affiliated within the meaning of 11 C.F.R. § 100.5(g). Therefore, Tx-MNPL and the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees") share a single limit of \$5,000 with that committee.

Commission records indicate that the MNPL committees did not contribute the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated (i.e., "checked the box") a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The \$2,500 check in question was contributed after the May 1, 1982 primary election on June 16, 1982. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed \$2,500 which they designated for the general election).

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June Tx-MNPL

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June contribution to the general election and reported it as a contribution to the general election in its FEC filings. However, the Tx-MNPL committee reported the contribution for the 1982 primary election by so designating the contribution on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)			(2,200-P; 2,500-G)
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)			(2,000-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office, believes that the contributor's intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributor's intent regarding the contribution but is not a written designation within the meaning of 11 C.F.R. § 110.1(a). The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing undesignated contributions received after the May 1, 1982 primary to the general election.

The TX-MNPL transmittal letter says that the contribution is for the "forthcoming election." Since the contribution was made after the May 1, 1982, Primary, the TX-MNPL contribution is allocable to the General election. The accompanying letter which made reference to the "forthcoming election" in no way alters the operation of the presumption of 11 C.F.R. § 110.1. In fact, in this case, it reaffirms the application of the contribution to the General election. Thus, where TX-MNPL reported the contribution to the Primary by checking the Primary box on its report, it violated 11 C.F.R. § 104.14(d). However, as noted, neither the MNPL Committees nor the EPEC Committee violated 2 U.S.C. § 441a(2)(A).

Accordingly, the General Counsel recommends that there is no reason to believe that EPEC or the MNPL Committees violated 2 U.S.C. § 441a(a)(2)(A) and that there is reason to believe that the EPEC and TX-MNPL violated 11 C.F.R. § 104.14(d).

85040524106



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Walter F. Manchac, Treasurer
Texas State Council of Machinists and
Aerospace Workers Non-Partisan
Political League
7208 Smokey Hill Drive
Austin, Texas 78736

Re: MUR
Texas State Council of
Machinists and Aerospace
Workers Non-Partisan
Political League
Walter F. Manchac, Treasurer

Dear Mr. Manchac:

On , 198 , the Federal Election Commission determined that there is no reason to believe that the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also determined that there is reason to believe 11 C.F.R. § 104.14(d) a provision of Title 11, Code of Federal Regulations, had been violated by you, as treasurer. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

Mr. Walter F. Manchac, Treasurer

MUR

Page 2

The investigation now being conducted will be 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 Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040524108

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Texas State Council of Machinists
and Aerospace Workers Non-Partisan
Political League
Walter F. Manchac, Treasurer

SUMMARY OF ALLEGATIONS

85040524109
Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted a contribution in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contribution received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League (Tx-MNPL) reflect violations of the Act by the Frost campaign's receipt and reporting of a contribution for the general election which was reported for the primary election by the contributor.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or

their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that MNPL and Tx-MNPL are multicandidate committees. As such, they may contribute up to \$5,000 to a federal candidate with respect to any election. Commission records indicate that these two separate segregated funds are affiliated within the meaning of 11 C.F.R. § 100.5(g). Therefore, Tx-MNPL and the Machinists Non-Partisan Political League (MNPL; or collectively, "the MNPL Committees"), share a single limit of \$5,000.

Commission records indicate that the MNPL committees did not contribute the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. They did not contribute in excess of \$5,000 during the period between the primary election and the general election. The MNPL committees, however, designated (i.e., "checked the box") a grand total of \$6,700 on FEC reports for the 1982 primary election. \$4,200 of that amount was contributed by check before the date of the 1982 Texas primary. The \$2,500 check in question was contributed after the May 1, 1982 primary election on June 16, 1982. A contemporaneous, written communication accompanied this check. (The MNPL committees also contributed \$2,500 which they designated for the general election).

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June contribution to the general election and reported it as a contribution to the general election in its FEC filings. However, the Tx-MNPL committee reported the contribution for the 1982 primary election by so designating the contribution on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
MNPL	\$ 200	5/1/81	P	P
	2,000	9/28/81	P	P
	2,500	6/23/82	G	G
	(\$2,200-P; 2,500-G)			(2,200-P; 2,500-G)
TX-MNPL	\$2,000	10/13/81	P	P
	2,500	6/16/82	P	G
	(\$4,500-P)			(2,000-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office, believes that the contributor's intentions regarding these contributions for the 1982 primary elections are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributor's intent regarding the contribution but is not a written designation within the meaning of 11 C.F.R. § 110.1(a). The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing undesignated contributions received after the May 1, 1982 primary to the general election.

3504052411

The TX-MNPL transmittal letter says that the contribution is for the "forthcoming election." Since the contribution was made after the May 1, 1982, Primary, the TX-MNPL contribution is allocable to the General election. The accompanying letter which made reference to the "forthcoming election" in no way alters the operation of the presumption of 11 C.F.R. § 110.1. In fact, in this case, it reaffirms the application of the contribution to the General election. Thus, where TX-MNPL reported the contribution to the Primary by checking the Primary box on its report, it violated 11 C.F.R. § 104.14(d). However, as noted, neither the MNPL Committees nor the EPEC Committee violated 2 U.S.C. § 441a(2)(A).

Accordingly, the General Counsel recommends that there is no reason to believe that EPEC or the MNPL Committees violated 2 U.S.C. § 441a(a)(2)(A) and that there is reason to believe that the EPEC and TX-MNPL violated 11 C.F.R. § 104.14(d).

85040524112



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Mr. Frank Hanley, Treasurer
Engineer's Political Education Committee
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

RE: Pre-MUR 124
Engineer's Political Education
Committee
Frank Hanley, Treasurer

Dear Mr. Hanley:

On 198 , the Federal Election Commission determined that there is no reason to believe that the Engineer's Political Education Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission also determined that there is reason to believe 11 C.F.R. § 104.14(d) a provision of Title 11, Code of Federal Regulations, had been violated by you, as treasurer, and the Engineers Political Education Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

Mr. Frank Hanley, Treasurer
Pre-MUR 124
Page 2

The investigation now being conducted will be 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 Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

85040524114

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO.

RESPONDENT Engineers Political Education
Committee/International Union
of Operating Engineers
Frank Hanley, Treasurer

SUMMARY OF ALLEGATIONS

35040524115

Congressman Frost's correspondence indicates that the Center on National Labor Policy, Inc., has alleged to him that the Congressman's 1982 campaign committee ("the Committee" or "the Frost Campaign") accepted a contribution in excess of the limitations of 2 U.S.C. § 441a for his 1982 primary election, in violation of 2 U.S.C. § 441a(f). The Center, in correspondence to Congressman Frost, agrees with him that the campaign committee was correct in attributing the contribution received to the general election instead of the primary. The Center maintains, however, that records filed with the Commission by the Engineers Political Education Committee (EPEC) reflect violations of the Act by the Frost campaign's receipt and reporting of a contribution for the general election which was reported for the primary election by the contributor committee.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a of Title 2, United States Code, in pertinent part, prohibits contributions to Federal candidates in excess of \$5,000 per election from multicandidate committees. Section 441a(f) of Title 2, United States Code, prohibits candidates or their committees from accepting contributions made in violation of 2 U.S.C. § 441a.

Section 104.14(d) of Title 11, Code of Federal Regulations, provides that the treasurer of a political committee must timely and accurately file committee reports of receipts and disbursements.

Commission records reflect that EPEC is a multicandidate committee. As such, it may contribute up to \$5,000 to a federal candidate with respect to any election.

Commission records indicate that EPEC did not contribute the maximum \$5,000 to Congressman Frost prior to the 1982 primary election. Nor did EPEC contribute in excess of \$5,000 during the period between the primary election and the general election.

EPEC contributed \$6,000 which was designated (i.e., "checked the box") in its FEC reports for the primary election. \$3,500 of that amount was contributed by check before the date of the primary election and the \$2,500 check questioned by the CNPL was contributed after the May 1, 1982 primary election on June 9, 1982. No contemporaneous, written communication accompanied this check.

The Frost campaign, according to Congressman Frost's letter, therefore, absent primary debts, attributed the June contribution to the general election and reported it as a contribution to the general election in its FEC filings. However, EPEC reported the June 9, 1982 contribution for the 1982 primary election by so designating on FEC Form 3x.

Based on Congressman Frost's letters and reports on file with the Commission, the chart below demonstrates the transactions between the committees.

<u>Contributor</u>	<u>Amount</u>	<u>Date</u>	<u>Elect. C/or Desig.</u>	<u>Elect Recip. Desig.</u>
EPEC	\$1,000	5/6/81	P	P
	2,000	2/11/81	P	P
	500	3/4/82	P	P
	2,500	6/9/82	P	G
	(\$6,000)			(3,500-P; 2,500-G)

Primary Election Date: May 1, 1982.

This Office, believes that the contributor's intentions regarding these contributions for the 1982 primary election are controlling factors in applying the presumptions of section 110.1, Title 11, Code of Federal Regulations, to this series of transactions. Marking the "primary election" box on FEC Form 3x, Schedule B, is a written indication of the contributors' intent regarding the contributions but not a written designation within the meaning of 11 C.F.R. § 110.1(a).

The issue herein is, therefore, whether the Frost Committee justifiably relied on the presumption created by 11 C.F.R. § 110.1(a) in attributing contribution received after the May 1, 1982 primary to the general election.

The EPEC letter contains boilerplate language requesting notification if this contribution is excessive. The Commission has previously determined this language not to be a sufficient written designation of an election. No other written, contemporaneous grant of consent by the contributor directing the recipient as to its designation is before the Commission. There is, however, evidence which suggests that EPEC did not violate 2 U.S.C. § 441a(a)(2)(A) but violated 11 C.F.R. § 104.14(d).

Most importantly, the recipient, relying on the presumption of 11 C.F.R. § 110.1(a)(1) and having no debts, treated the contribution as for the General election. Thus this office recommends, that the Commission find no reason to believe that EPEC or the Frost Committee violated 2 U.S.C. § 441a(a)(2)(A) or 2 U.S.C. § 441a(f). However, EPEC's improper reporting of this contribution gives rise to a violation of 11 C.F.R. § 104.14(d) by EPEC. According to Commission records, EPEC has not complied with Congressman Frost's suggestion that it amend its report containing this contribution.

Accordingly, the General Counsel recommends that the Commission find no reason to believe a violation of 2 U.S.C. § 441a(a)(2)(A) was committed by EPEC.

85040524118



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DC 3387
5/31/84
PM 124 - Reyes

TO KAG

May 29, 1984

To: Charles N. Steele
General Counsel

Attention: Kenneth A. Gross
Associate General Counsel

Through: John C. Surina
Staff Director

From: Mark Davis, Director
Congressional Affairs

Subject: Attached Correspondence from Congressman Frost

As discussed, attached for your appropriate attention is correspondence received from Congressman Martin Frost. Ms. Bonnie McClellan, the Congressman's Chief Legislative Assistant, is handling this for him. I have advised her of the referral to you.

Attachment

85040524119



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

TO KAG

May 29, 1984

To: Charles N. Steele
General Counsel

Attention: Kenneth A. Gross
Associate General Counsel

Through: John C. Surina
Staff Director

From: Mark Davis, Director
Congressional Affairs

Subject: Attached Correspondence from Congressman Frost

As discussed, attached for your appropriate attention is correspondence received from Congressman Martin Frost. Ms. Bonnie McClellan, the Congressman's Chief Legislative Assistant, is handling this for him. I have advised her of the referral to you.

Attachment

35040524120

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3605

Congress of the United States
House of Representatives
Washington, D.C. 20515

600-3387 Cfr
DISTRICT OFFICES:
DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANG BOULEVARD
(214) 767-3816
GRAND PRASER, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 767-1803
PLEASE REPLY TO
OFFICE CHECKED

P 3:42

May 17, 1984

The Honorable Danny L. McDonald
Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

Dear Mr. Chairman:

As you may know, the Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats. On April 20 I received notice from the Center (copy enclosed) alleging that my 1982 campaign committee had misreported some contributions and received excessive contributions in violation of the Federal Election Campaign Act. The contributions questioned by the Center came from the Engineers Political Education Committee/International Union of Operating Engineers, and the Machinists Non-Partisan Political League and its affiliated separate fund, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League.

The Center overlooked the fact that the two checks cited as putting the Machinists and Engineers over their legal limit were dated well after the May 1, 1982 Texas primary. Neither check indicated a primary or general election designation and the cover letters accompanying the checks state that the contribution is for "Congressman Frost's re-election campaign" in the case of the Engineers PAC, and in the case of the Machinists PAC mention is made only of the "upcoming election". Under these circumstances, the FEC Code stipulates that undesignated contributions received after the primary but before the general election are presumed to be for the general election and count against that limit.

However, it does appear that the Machinists and Engineers PACs incorrectly reported these contributions toward the May 1, 1982 primary limit on the FEC Form 3X. In an effort to correct the discrepancy, I have contacted the PACs, notified them of the error, and suggested they file an amended FEC Form 3X (copies enclosed).

Hopefully, this will satisfy any questions you may have about the matter but I urge you to contact me if I can be of any additional assistance.

Sincerely,

Martin Frost
Martin Frost

MF/bm

85040524121



The Center On National Labor Policy, Inc.

5211 Port Royal Road, Suite 400

North Springfield, Virginia 22151

(703) 321-9180

Steve M. Antosh

Executive Director

April 27, 1984

Congressman Martin Frost
House of Representatives
Longworth House Office Bldg., Room 1238
Washington, D.C. 20515

Re: Campaign contributions from Engineers Political Education
Committee/International Union of Operating Engineers
("EPEC/IUOE") and Texas State Council of Machinists and
Aerospace Workers Non-Partisan Political League
("TSCMAWNPL").

Dear Congressman Frost:

Thank you for your prompt response to my letter of April 20, 1984. According to the letters your campaign committee received from EPEC/IUOE and TSCMAWNPL, which you provided us, the contributions in question appear not to be designated for a particular election. Since they were made after the primary election, your campaign committee was probably correct in designating them as contributions for the general election.

However, the contributions were in fact designated by EPEC/IUOE and TSCMAWNPL on their respective FEC FORMS 3X as contributions for the primary election (copies enclosed). Consequently, the Federal Election Commission's records reflect violations of the Federal Election Campaign Act by your receipt.

In order to remedy the situation, two alternatives are available. I suggest that you contact EPEC/IUOE and TSCMAWNPL and request that they file amended FEC FORMS 3X indicating that the contributions were for the general election. Otherwise, you must return the money and amend your FEC forms. If you notify us of your appropriate action regarding this matter, we will not take any action with the Federal Election Commission.

Sincerely,

Steve M. Antosh
Executive Director

SMA/cc
Enclosures

35040524122

ITEMIZED DISBURSEMENTS

to be prepared (separately) for each category of the Detailed Summary Page)

Any information received 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)

Engineers Political Education Committee (EPEC)/International Union of Operating Engineers (IUOE)

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Thompson for Congress Committee 8513 Redoak Drive, NE Warren, Ohio 44484	Cand. Gary H. Thompson (D) Ohio, 17th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Feighan for Congress Committee 15401 Detroit Avenue Lakewood, Ohio 44107	Cand. Edward Feighan (D), Ohio, 19th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$1,500.00	6/9/82	\$1,000.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Stokes for Congress Committee Post Office Box 8038 Washington, DC 20024	Cong. Louis Stokes (D) Ohio, 21st C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/9/82	\$500.00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Friends of Congressman Dougherty 123 "C" Street, SE, #3 Washington, DC 20003	Cong. Charlie Dougherty (R) PA, 4th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Hochendorfer for Congress Committee 107 North Second Street Harrisburg, Pennsylvania 17101	Cand. Larry Hochendorfer (D) PA, 17th, C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Michaelson for U.S. Senate Committee 191 Pauteux Avenue Pauteux, Rhode Island 02860	Cand. Julius Michaelson (D) USS, Rhode Island Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$5,000.00	6/9/82	\$4,000.00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Tallon for Congress Committee 912 West Evans Street Florence, South Carolina 29501	Cand. Robert Tallon (D) SC, 6th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Coleman for Congress Committee 715 North Oregon El Paso, Texas	Cand. Ron Coleman (D) U.S.H.R., Texas, 16th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$2,000.00	6/9/82	\$1,000.00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin Frost Campaign Committee 721 Wynnewood Village Shopping Dallas, Texas 75224	Cong. Martin Frost (D), Texas, 24th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$2,500.00	6/9/82	\$2,500.00

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for
 Line NUMBER
 (Use separate sheets for each
 category of the Related
 Summary Report)

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) **Texas State Council of Machinists and Aerospace Workers
 Machinists Non-Partisan Political League**

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin Frost P. O. Box 4219 Dallas, Texas 75208	Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	6-16-82	\$2,500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (print name)			
TOTAL This Period (list page this line number only)			

\$2,500.00

85040524124
 02032530275

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3605

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANE BOULEVARD
(214) 787-2818
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1803
PLEASE REPLY TO
OFFICE CHECKED

May 7, 1984

Mr. Frank Hanley
Treasurer
Engineer's Political Education Committee
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

Dear Frank:

As you may know, the Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats including myself. On April 20 I was informed by the Center that the Engineers' June, 1982 contribution to my campaign (a contribution of \$2,500.00) was credited toward the primary election and, as such, put the Engineers over the legal contribution limit in my campaign.

In fact, my campaign committee received your check well after the May 1, 1982 Texas primary. The check did not indicate a primary or general election designation and your cover letter accompanying the check stated only that the contribution was for "Congressman Frost's re-election campaign". The FEC Code stipulates that undesignated contributions received after a primary, but before the general election, are presumed to be for the general election and count against that limit, which is the limit my treasurer applied your contribution against. It does appear, however, that the Engineers' PAC reported the contribution toward the primary and not the general election (see the attached copy of your FEC Form 3X).

This amounts to nothing more than a bookkeeping error but the Center on National Labor Policy intends to pursue it with the FEC unless it's corrected. To avoid problems, I'm asking that you file an amended form 3X indicating that the June, 1982 contribution was for the general election. I regret the inconvenience to you but feel this is the most prudent course to take under the circumstances.

If you have any questions feel free to let me know. I very much appreciate your assistance.

Sincerely,

Martin Frost

MF/bm
enclosures

85040524123

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3606

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICE:
DALLAS, TEXAS 75206
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANG BOULEVARD
(214) 767-2916
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 282-1803
PLEASE REPLY TO
OFFICE CHECKED

May 7, 1984

Mr. Rue Spencer
General Vice President
International Association of Machinists
and Aerospace Workers
1300 Connecticut Avenue, NW
Washington, D.C. 20036

Dear Rue:

3 5 0 4 0 5 2 4 1 2 6
The Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats, including myself. On April 20 I was informed by the Center that the Machinists' June, 1982 contribution to my re-election campaign (a contribution of \$2,500.00) was credited toward the primary election and, as such, put the Machinists over the legal contribution limit in my campaign.

In fact, my campaign committee received your check well after the May 1, 1982 Texas primary. The check did not indicate a primary or general election designation and your cover letter accompanying the check made mention only of the "upcoming election". The FEC Code stipulates that undesignated contributions received after a primary, but before the general election, are presumed to be for the general election and count against that limit, which is the limit my treasurer applied your contribution against. It does appear, however, that the Machinists PAC reported the contribution toward the primary and not the general election (see the attached copy of your FEC Form 3X).

This amounts to nothing more than a bookkeeping error but the Center on National Labor Policy will probably pursue it with the FEC unless it's corrected. To avoid problems, I'm asking that you file an amended form 3X indicating that the June, 1982 contribution was for the general election. I regret the inconvenience to you but feel this is the most prudent course to take under the circumstances.

If you have any questions, feel free to let me know; I very much appreciate your assistance.

Sincerely,

Martin Frost

MF/bm
enclosures

J. C. TURNER
Chairman

FRANK HANLEY
Treasurer

1125 Seventeenth Street, N.W.
Washington, D.C. 20036
202-347-8560

Engineers Political Education Committee

June 21, 1982

MARTIN FROST CAMPAIGN COMMITTEE
721 Wynnewood Village Shopping Center
Dallas, Texas 75224

Attn: Treasurer

Dear Sir:

Attached hereto is our check No. 000714 in the amount
\$2,500.00 as a contribution from the Engineers
Political Education Committee of the International
Union of Operating Engineers for Congressman Frost's
re-election campaign.

If this check together with any other contributions
from our Local Unions exceeds the amount provided
by Federal Law, please advise.

Sincerely,

J. C. Turner
J. C. Turner
CHAIRMAN

Frank Hanley
Frank Hanley
TREASURER

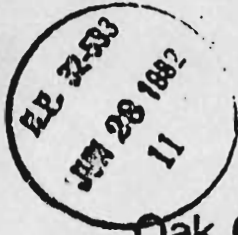
JCT:FH/kmg

Enc. (1)

85040524127

DEPOSIT RECEIPT

352358



Oak Cliff Bank
& Trust Company



ACCOUNT NO.

104-0575

CHECKING	☒
SAVINGS	☐
LOAN	☐

NO. OF CHECKS

Link

CASH IN

CASH OUT

TOTAL \$

5890.00

AGENCY

Comm

2,500 00

500 00

500 00

250 00

250 00

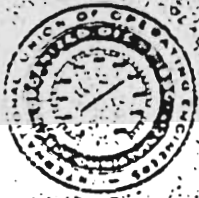
250 00

1,640 00

5,890 00

ADDITIONAL LISTING

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT TO THIS ACCOUNT SUBJECT TO FINAL PAYMENT RECEIVED IN CASH OR SOLVENT CREDITS AND THE RULES AND REGULATIONS OF THIS BANK NOW IN EFFECT.



Engineers Political Education Committee (E.P.E.C.)

1125 SEVENTEENTH STREET NORTHWEST WASHINGTON, D.C. 20036

No. 000714

DATE June 17 1982

PAY Two Thousand Five Hundred and No/100 DOLLARS \$ 2,500.00

TO THE ORDER OF

Martin Frost Campaign Committee ENGINEERS POLITICAL EDUCATION COMMITTEE (E.P.E.C.)

ON OR FIRST NATIONAL BANK OF WASHINGTON - WASHINGTON, D.C.

Frank Henley

ATTACHED CHECK IS IN SETTLEMENT OF ACCOUNT AS STATED BELOW. PLEASE DETACH BEFORE DEPOSITING.

Contribution

ENGINEERS POLITICAL EDUCATION COMMITTEE (E.P.E.C.)

85040524128



**INTERNATIONAL ASSOCIATION of MACHINISTS
and AEROSPACE WORKERS**

MACHINISTS BUILDING, 1300 CONNECTICUT AVENUE, WASHINGTON, D. C. 20036

Office of the
GENERAL VICE PRESIDENT
1111 West Mockingbird Lane, Suite 1357
Dallas, Texas 75247
(214) 638-6543

Area Code 202
857-5200

June 28, 1982

Hon. Martin Frost
United States Congressman
Post Office Box 4219
Dallas, Texas 75208

Dear Martin:

Enclosed is a check in the amount of \$2,500.00 payable to the
Martin Frost Campaign Committee and we wish you success in the
forthcoming election.

Sincerely,

Rue Spencer
GENERAL VICE PRESIDENT

RS:mee

Enclosure

cc: Holayter
Bertani, BR
Manchac, ST

85040524129

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3605

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
DALLAS, TEXAS 75206
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANE BOULEVARD
(214) 767-8816
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1803
PLEASE REPLY TO
OFFICE CHECKED

April 24, 1984

Mr. Steve M. Antosh
Executive Director
The Center on National Labor Policy, Inc.
5211 Port Royal Road
Suite 400
North Springfield, Va. 22151

Dear Mr. Antosh:

This is in response to your April 20 letter in which you allege that my 1982 campaign committee misreported some contributions and received excessive contributions in violation of the Federal Election Campaign Act. The sources of the two contributions you cited were the Engineers Political Education Committee/International Union of Operating Engineers; and the Machinists Non-Partisan Political League and its affiliated separate fund, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League.

I am enclosing copies of the two checks you cited as putting the Engineers and Machinists over their legal limit. You will note that both are dated well after the May 1, 1982 Texas primary. Neither check indicates a primary or general election designation and the cover letters accompanying the checks (copies enclosed) state that the contribution is for "Congressman Frost's re-election campaign" in the case of the Engineers PAC, and in the case of the Machinists PAC mention is made only of the "upcoming election".

FEC Code 110.1(a)(2)(ii) states: "Undesignated contributions received after the primary, but before the general elections, are presumed to be for the general election and count against that limit." This provision clearly applies to these contributions. Also relevant in this case is FEC Code 110.1(a)(2)(i) which states: "After the primary, but before the general election, candidates may receive contributions to retire a primary debt provided that: the contributions do not exceed the net outstanding debt of the primary; and each such contribution is specifically designated by the donor to retire the primary debt. As such, it counts against the contribution limits for the primary." Not only was there no primary debt to retire, there would have had to have been a specific designation on or accompanying these contributions for me to apply them to anything but the general election.

I hope this clears up any misperceptions you may have had regarding my 1982 campaign contributions.

Sincerely,

Martin Frost

MF/bm

85040524130

DEPOSIT RECEIPT

10781

ACCOUNT NO.

104-0375

CHECKING	
SAVINGS	
LOAN	

NO. OF CHECKS

2

CASH IN

CASH OUT

TOTALS

4360

2,500	00
1,000	00
500	00
100	00
100	00
100	00
60	00
4,360	00

Oak Cliff Bank & Trust Company



CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT TO THIS ACCOUNT SUBJECT TO FINAL PAYMENT RECEIVED IN CASH OR SOLVENT CREDITS AND THE RULES AND REGULATIONS OF THIS BANK NOW IN EFFECT.

10005331

104 0575 02

MACHINISTS NON-PARTISAN
POLITICAL LEAGUE

GENERAL FUND

1300 CONNECTICUT AVE., N.W.
WASHINGTON, D.C. 20036

4345

June 23,

19 82

154
540

PAY TO THE
ORDER OF

Martin Frost Campaign Committee

\$ 2,500.00

THE SUM OF 2500 DOLLS 00 CTS

DOLLARS

1st AMERICAN
FIRST AMERICAN BANK, N.A. WASHINGTON, DC

George J. Rulien
Henry J. Higgins

CHAIRMAN

SECRETARY TREASURER

FOR

00043451 0540000431

3 107 26

Republic National Bank

of Dallas



Do not Touch 75261 REPUBLIC

418

Pay to the Order of

Martin Frost Campaign

June 25 19 82

CHECK NUMBER

51722

One thousand five hundred

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

CHARLES M. HANSEN, JR.

Charles M. Hansen

00006271418 183 733 811

CLEAR CHECKS

J. MARC MYERS
3801 CRE. CENT 520-2322

813

CHARLES M. HANSEN, JR.
4111 MINT WAY PH. 214/333-3325
DALLAS, TEXAS 75237

85040524131



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 21, 1984

The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Frost:

Thank you for your recent letter concerning the notice you received from the Center on National Labor Policy regarding your campaign committee.

Under the terms of the Federal Election Campaign Act of 1971, as amended, the Federal Election Commission annually elects a Chairman and a Vice Chairman from among its members to serve a one year term of office.

At its regular public meeting on December 15, 1983, the Commission elected Lee Ann Elliott and Thomas E. Harris to serve as Chairman and Vice Chairman respectively for the ensuing year. The effective date of Commissioner Elliott's term of office was January 1, 1984. As of that date, all official correspondence addressed to the Chairman of the Federal Election Commission is being referred to Mrs. Elliott's office.

Please be assured that I remain available for any inquiries that you may have about the FEC.

Sincerely,

Danny McDonald
DANNY L. McDONALD
Commissioner

DLM/sh

cc: Chairman Elliott

85040524132



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 4, 1984

The Honorable Martin Frost
1238 Longworth House Office
Building
Washington, D.C. 20515

Re: Pre-MUR 124

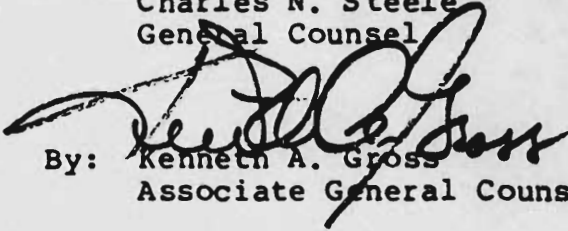
Dear Congressman Frost:

This is to acknowledge receipt of your letter dated May 17, 1984 pertaining to correspondence with the Center on National Labor Policy. You will be notified as soon as the Commission takes action on your submission.

If you have any questions, please call Paul Reyes, the staff person assigned to this matter, at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedures for handling matters such as this.

Sincerely,

Charles N. Steele
General Counsel

By: 
Kenneth A. Gross
Associate General Counsel

Enclosure

85040524133



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 21, 1984

The Honorable Martin Frost
1238 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Frost:

Thank you for your recent letter concerning the notice you received from the Center on National Labor Policy regarding your campaign committee.

Under the terms of the Federal Election Campaign Act of 1971, as amended, the Federal Election Commission annually elects a Chairman and a Vice Chairman from among its members to serve a one year term of office.

At its regular public meeting on December 15, 1983, the Commission elected Lee Ann Elliott and Thomas E. Harris to serve as Chairman and Vice Chairman respectively for the ensuing year. The effective date of Commissioner Elliott's term of office was January 1, 1984. As of that date, all official correspondence addressed to the Chairman of the Federal Election Commission is being referred to Mrs. Elliott's office.

Please be assured that I remain available for any inquiries that you may have about the FEC.

Sincerely,

Danny McDonald

DANNY L. McDONALD
Commissioner

DLM/sh

cc: Chairman Elliott

85040524134

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3606

Congress of the United States
House of Representatives
Washington, D.C. 20515

600-3387
DISTRICT OFFICES:
DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANGS BOULEVARD
(214) 767-1816
GRAND PRairie, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 767-1803
PLEASE REPLY TO
OFFICE CHECKED

May 17, 1984

The Honorable Danny L. McDonald
Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

Dear Mr. Chairman:

As you may know, the Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats. On April 20 I received notice from the Center (copy enclosed) alleging that my 1982 campaign committee had misreported some contributions and received excessive contributions in violation of the Federal Election Campaign Act. The contributions questioned by the Center came from the Engineers Political Education Committee/International Union of Operating Engineers, and the Machinists Non-Partisan Political League and its affiliated separate fund, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League.

The Center overlooked the fact that the two checks cited as putting the Machinists and Engineers over their legal limit were dated well after the May 1, 1982 Texas primary. Neither check indicated a primary or general election designation and the cover letters accompanying the checks state that the contribution is for "Congressman Frost's re-election campaign" in the case of the Engineers PAC, and in the case of the Machinists PAC mention is made only of the "upcoming election". Under these circumstances, the FEC Code stipulates that undesignated contributions received after the primary but before the general election are presumed to be for the general election and count against that limit.

However, it does appear that the Machinists and Engineers PACs incorrectly reported these contributions toward the May 1, 1982 primary limit on the FEC Form 3X. In an effort to correct the discrepancy, I have contacted the PACs, notified them of the error, and suggested they file an amended FEC Form 3X (copies enclosed).

Hopefully, this will satisfy any questions you may have about the matter but I urge you to contact me if I can be of any additional assistance.

Sincerely,

Martin Frost
Martin Frost

MF/bm

35040524135



The Center On National Labor Policy, Inc.

5211 Port Royal Road, Suite 400

North Springfield, Virginia 22151

(703) 321-9180

Steve M. Antosh
Executive Director

April 27, 1984

Congressman Martin Frost
House of Representatives
Longworth House Office Bldg., Room 1238
Washington, D.C. 20515

Re: Campaign contributions from Engineers Political Education
Committee/International Union of Operating Engineers
("EPEC/IUOE") and Texas State Council of Machinists and
Aerospace Workers Non-Partisan Political League
("TSCMAWNPL").

Dear Congressman Frost:

Thank you for your prompt response to my letter of April 20, 1984. According to the letters your campaign committee received from EPEC/IUOE and TSCMAWNPL, which you provided us, the contributions in question appear not to be designated for a particular election. Since they were made after the primary election, your campaign committee was probably correct in designating them as contributions for the general election.

However, the contributions were in fact designated by EPEC/IUOE and TSCMAWNPL on their respective FEC FORMs 3X as contributions for the primary election (copies enclosed). Consequently, the Federal Election Commission's records reflect violations of the Federal Election Campaign Act by your receipt.

In order to remedy the situation, two alternatives are available. I suggest that you contact EPEC/IUOE and TSCMAWNPL and request that they file amended FEC FORMs 3X indicating that the contributions were for the general election. Otherwise, you must return the money and amend your FEC forms. If you notify us of your appropriate action regarding this matter, we will not take any action with the Federal Election Commission.

Sincerely,

Steve M. Antosh
Executive Director

SMA/cc
Enclosures

85040524136

ITEMIZED DISBURSEMENTS

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)
Engineers Political Education Committee (EPEC)/International Union of Operating Engineers (IUOE)

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Thompson for Congress Committee 8513 Redoak Drive, NE Warren, Ohio 44484	Cand. Gary H. Thompson (D) Ohio, 17th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Feighan for Congress Committee 15401 Detroit Avenue Lakewood, Ohio 44107	Cand. Edward Feighan (D), Ohio, 19th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$1,500.00	6/9/82	\$1,000.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Stokes for Congress Committee Post Office Box 8038 Washington, DC 20024	Cong. Louis Stokes (D) Ohio, 21st C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/9/82	\$500.00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Friends of Congressman Dougherty 23 "C" Street, SE, #3 Washington, DC 20003	Cong. Charlie Dougherty (R) PA, 4th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Hochendorfer for Congress Committee 107 North Second Street Harrisburg, Pennsylvania 17101	Cand. Larry Hochendorfer (D) PA, 17th, C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Michaelson for U.S. Senate Committee 141 Pauteux Avenue Pauteux, Rhode Island 02860	Cand. Julius Michaelson (D) USS, Rhode Island Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$5,000.00	6/9/82	\$4,000.00
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Tallon for Congress Committee 912 West Evans Street Florence, South Carolina 29501	Cand. Robert Tallon (D) SC, 6th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$500.00	6/15/82	\$500.00
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Coleman for Congress Committee 715 North Oregon El Paso, Texas	Cand. Ron Coleman (D) U.S.HR., Texas, 16th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$2,000.00	6/9/82	\$1,000.00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin Frost Campaign Committee 721 Wynnewood Village Shopping Dallas, Texas 75224	Cong. Martin Frost (D), Texas, 24th C.D. Disbursement for: ☒ Primary ☐ General ☐ Other (specify): \$2,500.00	6/9/82	\$2,500.00
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			

7
3
4
1
3
2
5
4
0
4
0
3
5
6
3

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for
 Line NUMBER
 (Use separate sheets for each
 category of the detailed
 Summary Page)

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) **Texas State Council of Machinists and Aerospace Workers
 Machinists Non-Partisan Political League**

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Martin Frost P. O. Box 4219 Dallas, Texas 75208	Disbursement for: ☒ Primary ☐ General ☐ Other (specify)	6-16-82	\$2,500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
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G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (print or write)

TOTAL This Period (last page this line number only)

35040524138

02032330275

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3605

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANG BOULEVARD
(214) 757-8810
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1503
PLEASE REPLY TO
OFFICE CHECKED

May 7, 1984

Mr. Frank Hanley
Treasurer
Engineer's Political Education Committee
1125 Seventeenth Street, N.W.
Washington, D.C. 20036

Dear Frank:

As you may know, the Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats including myself. On April 20 I was informed by the Center that the Engineers' June, 1982 contribution to my campaign (a contribution of \$2,500.00) was credited toward the primary election and, as such, put the Engineers over the legal contribution limit in my campaign.

In fact, my campaign committee received your check well after the May 1, 1982 Texas primary. The check did not indicate a primary or general election designation and your cover letter accompanying the check stated only that the contribution was for "Congressman Frost's re-election campaign". The FEC Code stipulates that undesigned contributions received after a primary, but before the general election, are presumed to be for the general election and count against that limit, which is the limit my treasurer applied your contribution against. It does appear, however, that the Engineers' PAC reported the contribution toward the primary and not the general election (see the attached copy of your FEC Form 3X).

This amounts to nothing more than a bookkeeping error but the Center on National Labor Policy intends to pursue it with the FEC unless it's corrected. To avoid problems, I'm asking that you file an amended form 3X indicating that the June, 1982 contribution was for the general election. I regret the inconvenience to you but feel this is the most prudent course to take under the circumstances.

If you have any questions feel free to let me know. I very much appreciate your assistance.

Sincerely,

Martin Frost

MF/bm
enclosures

85040524139

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3606

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
400 SOUTH ZANE BOULEVARD
(214) 767-2616
GRAND PRAIRIE, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1903
PLEASE REPLY TO
OFFICE CHECKED

May 7, 1984

Mr. Rue Spencer
General Vice President
International Association of Machinists
and Aerospace Workers
1300 Connecticut Avenue, NW
Washington, D.C. 20036

Dear Rue:

The Center on National Labor Policy, which is an arm of the Right to Work Committee, has been auditing the 1982 campaign contributions of many Democrats, including myself. On April 20 I was informed by the Center that the Machinists' June, 1982 contribution to my re-election campaign (a contribution of \$2,500.00) was credited toward the primary election and, as such, put the Machinists over the legal contribution limit in my campaign.

In fact, my campaign committee received your check well after the May 1, 1982 Texas primary. The check did not indicate a primary or general election designation and your cover letter accompanying the check made mention only of the "upcoming election". The FEC Code stipulates that undesignated contributions received after a primary, but before the general election, are presumed to be for the general election and count against that limit, which is the limit my treasurer applied your contribution against. It does appear, however, that the Machinists PAC reported the contribution toward the primary and not the general election (see the attached copy of your FEC Form 3X).

This amounts to nothing more than a bookkeeping error but the Center on National Labor Policy will probably pursue it with the FEC unless it's corrected. To avoid problems, I'm asking that you file an amended form 3X indicating that the June, 1982 contribution was for the general election. I regret the inconvenience to you but feel this is the most prudent course to take under the circumstances.

If you have any questions, feel free to let me know; I very much appreciate your assistance.

Sincerely,

Martin Frost

MF/bm
enclosures

85040524140

J. C. TURNER
Chairman

FRANK HANLEY
Treasurer

1125 Seventeenth Street, N.W.
Washington, D.C. 20036
202-347-8560

Engineers Political Education Committee

June 21, 1982

MARTIN FROST CAMPAIGN COMMITTEE
721 Wynnewood Village Shopping Center
Dallas, Texas 75224

Attn: Treasurer

Dear Sir:

Attached hereto is our check No. 000714 in the amount
\$2,500.00 as a contribution from the Engineers
Political Education Committee of the International
Union of Operating Engineers for Congressman Frost's
re-election campaign.

If this check together with any other contributions
from our Local Unions exceeds the amount provided
by Federal Law, please advise.

Sincerely,

J. C. Turner
J. C. Turner
CHAIRMAN

Frank Hanley
Frank Hanley
TREASURER

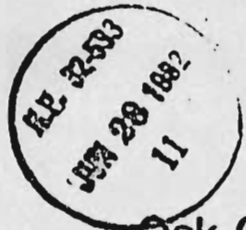
JCT:FH/kmg

Enc. (1)

85040524141

DEPOSIT RECEIPT

352358



Oak Cliff Bank
& Trust Company



ACCOUNT NO.

104-0575

CHECKING	☒
SAVINGS	☐
LOAN	☐

NO. OF CHECKS

List

CASH IN

CASH OUT

TOTAL \$

5890.00

AGENCY		
Comm	2,500	00
	500	00
	500	00
	250	00
	250	00
	250	00
	1,640	00
	5,890	00

ADDITIONAL LISTING

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT TO THIS ACCOUNT SUBJECT TO FINAL PAYMENT RECEIVED IN CASH OR SOLVENT CREDITS AND THE RULES AND REGULATIONS OF THIS BANK NOW IN EFFECT.



Engineers Political Education Committee (E.P.E.C.)

1125 SEVENTEENTH STREET NORTHWEST WASHINGTON, D. C. 20036

No. 000714

DATE June 17 19 82

PAY Two Thousand Five Hundred and No/100 DOLLARS \$ 2,500.00

TO THE ORDER OF

Martin Frost Campaign Committee ENGINEERS POLITICAL EDUCATION COMMITTEE (E.P.E.C.)

ON FIRST NATIONAL BANK OF WASHINGTON WASHINGTON, D.C.

Frank Hanley

ATTACHED CHECK IS IN SETTLEMENT OF ACCOUNT AS STATED BELOW. PLEASE DETACH BEFORE DEPOSITING.

Contribution

ENGINEERS POLITICAL EDUCATION COMMITTEE (E.P.E.C.)

35040524142



**INTERNATIONAL ASSOCIATION of MACHINISTS
and AEROSPACE WORKERS**

MACHINISTS BUILDING, 1300 CONNECTICUT AVENUE, WASHINGTON, D. C. 20004

Office of the
GENERAL VICE PRESIDENT
1111 West Mockingbird Lane, Suite 1367
Dallas, Texas 75247
(214) 630-6543

Area Code 202
857-5200

June 26, 1982

Hon. Martin Frost
United States Congressman
Post Office Box 4219
Dallas, Texas 75208

Dear Martin:

Enclosed is a check in the amount of \$2,500.00 payable to the
Martin Frost Campaign Committee and we wish you success in the
forthcoming election.

Sincerely,

Rue Spencer
GENERAL VICE PRESIDENT

RS:mee

Enclosure

cc: Holayter
Bertani, BR
Manchac, ST

85040524143

MARTIN FROST
24TH DISTRICT, TEXAS

RULES COMMITTEE

BUDGET COMMITTEE

MAJORITY WHIP AT LARGE

1238 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3605

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
DALLAS, TEXAS 75208
☐ REPUBLIC BANK TOWER, ROOM 1319
480 SOUTH ZANE BOULEVARD
(214) 767-8816
GRAND PRairie, TEXAS 75051
☐ REPUBLIC BANK TOWER, ROOM 720
801 WEST FREEWAY
(214) 262-1803
PLEASE REPLY TO
OFFICE CHECKED

April 24, 1984

Mr. Steve M. Antosh
Executive Director
The Center on National Labor Policy, Inc.
5211 Port Royal Road
Suite 400
North Springfield, Va. 22151

Dear Mr. Antosh:

This is in response to your April 20 letter in which you allege that my 1982 campaign committee misreported some contributions and received excessive contributions in violation of the Federal Election Campaign Act. The sources of the two contributions you cited were the Engineers Political Education Committee/International Union of Operating Engineers; and the Machinists Non-Partisan Political League and its affiliated separate fund, the Texas State Council of Machinists and Aerospace Workers Non-Partisan Political League.

I am enclosing copies of the two checks you cited as putting the Engineers and Machinists over their legal limit. You will note that both are dated well after the May 1, 1982 Texas primary. Neither check indicates a primary or general election designation and the cover letters accompanying the checks (copies enclosed) state that the contribution is for "Congressman Frost's re-election campaign" in the case of the Engineers PAC, and in the case of the Machinists PAC mention is made only of the "upcoming election".

FEC Code 110.1(a)(2)(ii) states: "Undesignated contributions received after the primary, but before the general elections, are presumed to be for the general election and count against that limit." This provision clearly applies to these contributions. Also relevant in this case is FEC Code 110.1(a)(2)(i) which states: "After the primary, but before the general election, candidates may receive contributions to retire a primary debt provided that: the contributions do not exceed the net outstanding debt of the primary; and each such contribution is specifically designated by the donor to retire the primary debt. As such, it counts against the contribution limits for the primary." Not only was there no primary debt to retire, there would have had to have been a specific designation on or accompanying these contributions for me to apply them to anything but the general election.

I hope this clears up any misperceptions you may have had regarding my 1982 campaign contributions.

Sincerely,

Martin Frost

MF/bm

85040524144

DEPOSIT RECEIPT

144 781

ACCOUNT NO.

104-8575

CHECKING	
SAVINGS	
LOAN	

NO. OF CHECKS

2

CASH IN	
CASH OUT	
TOTALS	4360

2,500	00
1,000	00
500	00
100	00
100	00
100	00
60	00
4,360	00



Oak Cliff Bank & Trust Company



CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT TO THIS ACCOUNT SUBJECT TO FINAL PAYMENT RECEIVED IN CASH OR SOLVENT CREDITS AND THE RULES AND REGULATIONS OF THIS BANK NOW IN EFFECT.

MACHINISTS NON-PARTISAN
POLITICAL LEAGUE

GENERAL FUND

1300 CONNECTICUT AVE., N.W.
WASHINGTON, D.C. 20036

4345

June 23,

19 82

154
540

PAY TO THE
ORDER OF

Martin Frost Campaign Committee

\$ 2,500.00

THE SUM OF 2500 DOLS 00 CTS

DOLLARS

1st AMERICAN
FIRST AMERICAN BANK NA WASHINGTON DC

George J. Paulin CHAIRMAN
Henry J. Higgins SECRETARY TREASURER

Republic National Bank
of Dallas



DO NOT WRITE IN THESE SPACES

Pay to the Order of

Martin Frost Campaign

One thousand five

June 25 19 82

CHECK NUMBER

1,122

CHARLES M. HANSEN, JR.

Charles M. Hansen, Jr.

CHARLES M. HANSEN, JR.
4111 MINT WAY PH. 214-333-3225
DALLAS, TEXAS 75237

J. MARC MYERS
3801 CRE CENT 520-2022

6.28

813

85040524145

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, D.C. 20515

PUBLIC DOCUMENT

OFFICIAL BUSINESS

mt
MAY 21 AIO M.C.

The Honorable Danny L. McDonald
Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

8 5 0 4 0 5 2 4 1 4 6

85040524147



FEDERAL ELECTION COMMISSION

1125 K STREET NW
WASHINGTON, D.C. 20543

THIS IS THE BEGINNING OF MUR # 1871

Date Filmed 6/13/85 Camera No. --- 2

Cameraman AS