



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

THIS IS THE BEGINNING OF MUR # 4409

DATE FILMED 2/18/93 CAMERA NO. 2

CAMERAMAN EES

28043874763



Joe
BOWEN

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Jul 3 10 10 AM '96

Lawrence M. Nobel Esq.
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

MUR 4409

RE: Complaint Against Citizens for Kevin Quigley for
Congress and the 39th Legislative District
Democratic Organization MUR (to be assigned)

Dear Mr. Noble:

28043874734
This Complaint is being filed by the undersigned against the above referenced parties. Complainant hereby request an investigation by the Federal Election Commission of contributions received by the federal campaign committee for Washington second district congressional candidate Kevin Quigley (hereinafter "Quigley Federal Committee") from the 39th Legislative District Democratic Organization (hereinafter "the 39th District") in the same meeting that Mr. Quigley's state Senate campaign committee tendered a contribution to the 39th District. The timing, the amounts of the contributions at issue, and statements by witnesses indicate a transaction which was designed to circumvent the prohibition in the Federal Election Campaign Act against transferring funds from a state campaign committee to a federal campaign committee of the same candidate. an affidavit on the relevant factual issues, from Randy Gray, a 2nd congressional district voter present at the March 21, 1996 39th District Democratic Organization meeting during which the transaction occurred, is attached. It may be seen from a review of this sworn testimony as well as information contained in other exhibits that the 39th District, Mr. Quigley's home district, served simply as a conduit through which Mr. Quigley could indirectly transfer funds from his state committee to his federal committee thereby circumventing the federal prohibition against such a direct transfer. (Randy Gray Affidavit, Exhibit A attached)

Kevin Quigley became a candidate for the U.S. House of Representatives on March 21, 1996, the date Quigley filed his Statement of Candidacy. A statement of Organization was filed by his principal campaign Committee ("Citizens for Quigley for Congress") on April 2, 1996. Prior to filing as a federal candidate, Kevin Quigley had already established a state campaign committee ("Citizens for Quigley") for his election to the Washington state Senate in 1992.

On March 21, 1996 the 39th District held a meeting. During the meeting, Kevin Quigley announced a donation of \$3,500 from his state campaign committee to the 39th District. During the same meeting, he requested and received a \$2,000 contribution to the Quigley Federal Committee. Quigley also requested that an aide, Steve Hobbs, be hired as a "district organizer" for the period 4/1/96 to 4/30/96 at a salary of \$1,700. ("39th District Newsletter", Exhibit B attached). However, the work performed by Mr. Hobbs was done at the home of Mr. Quigley and was in fact benefiting the Quigley for Congress campaign. (Gray affidavit, Exhibit A)

Paid for by Joe Bowen for U.S. Congress • Second District • Democrat
P.O. Box 2935 • Mount Vernon, WA 98273 • (360) 336-2565 • (360) 336-2383 fax



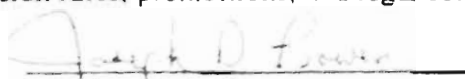
Complainant herein alleges possible violations of 2 United States Code 431 et seq. and title 11 of the Code of Federal Regulations 110 et seq. Specifically, Commission regulations prohibit the transfer of funds from a state to a federal campaign committee. They also prohibit the transfer of state funds for the purpose of benefiting the same federal candidate.

Under Commission regulations, transfer of funds or assets from a candidate's campaign committee or account for a non-federal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited as of July 1, 1993. 11C.F.R. 110.3(d). The commission reversed its long-standing policy of allowing non-federal campaign committees to an authorized federal committee of the same candidate because of concern about the indirect use of impermissible funds in federal elections. Consequently, the Commission decided to promulgate new rules that would more effectively prevent the indirect use of impermissible funds in federal elections. This decision resulted in the absolute prohibition of Section 110.3(d) Explanation and Justification and Revised Implementation Plan for a Second Submission of Regulations on Transfer of Funds from State to Federal Campaigns, 58 Fed. Reg. 3474-75 (January 8, 1993).

A review of the facts reveals indisputably that Mr. Quigley was both funneling funds from his state campaign committee to the Quigley Federal Committee and using his state campaign committee funds to pay the salary of an aide performing work to benefit his federal campaign, using the 39th District as a conduit.

Further, the affidavit of Mr. Gray suggests that the transaction at issue was to be but the first of several similar transactions designed to circumvent federal contribution limits and prohibitions. Mr. Gray states that Mr. Quigley advised the 39th District during the March 21, 1996 meeting that other unsolicited contributions from sources, including organized labor, would be forthcoming and that they were to pass on such contributions "to the candidate whom the donor had endorsed." Gray states that Mr. Quigley indicated that Quigley should in fact be the beneficiary of these contributions.

Wherefore, Complainant request that the FEC find Respondents in violation of federal law and Commission rules, orders the return of all funds tendered to the Quigley Federal Committee as a result of this violation, and take all other appropriate action against Respondents herein as a result of their efforts to circumvent Commission rules, prohibitions, and legal contribution limits.


Joseph D. Bowen

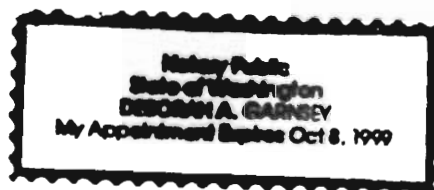
I, Joseph D. Bowen, a candidate for Congress in Washington's second congressional district, swear under penalty of perjury that the statements contained herein are true and correct and of my own personal knowledge, except as to those things state on information and belief, and as to those things I believe them to be true.

Executed this 2nd day of July, 1996

Joseph D. Bowen
Joseph D. Bowen

Subscribed and sworn before me this 2nd day of July, 1996.

Deborah A. Garney
Notary Public



28043874766

AFFIDAVIT OF RANDY GRAY

Randy Gray, being first duly sworn on oath, hereby deposes and states:

I reside in Arlington, Snohomish County, Washington. I attended the meeting of the 39th Legislative District Caucus held on March 21, 1996, during which Mr. Kevin Quigley both donated to and received funds from the 39th District Democratic Committee.

Mr. Quigley appeared that night and presented our committee with a donation of \$3,500. The funds were taken from his State Senate re-election campaign. He told us that he wanted us to use part of the money to hire Steve Hobbs to do voter identification, and that he also wanted us to make a donation of \$2,000 to his Congressional Campaign. After receiving assurances from Quigley that this was all legal, we approved a motion to both accept the gift and make the donation.

Mr. Quigley further advised that the district committee would be receiving more unsolicited cash donations, and that our role would be to distribute these monies to the candidate whom the donor had endorsed. He gave us the example of organized labor. He made a point of saying that he was going to be endorsed by organized labor.

Our district subsequently hired Mr. Hobbs to organize and execute the party-building plan discussed in the meeting. When a work party was called for this project, I volunteered my help.

23043874757

However, when I appeared at the designated time and place -- which turned out to be Mr. Quigley's house -- I found that the only work being performed was for the Quigley for Congress campaign.

I certify under the penalty of perjury that the foregoing is a true and correct statement.

Dated this 26 day of June, 1996.


RANDY GRAY

28043874768

THE DONKEY WHISTLE

NEWSLETTER OF THE 39TH LEGISLATIVE DISTRICT DEMOCRATIC ORGANIZATION

April 1995

Jack Lobdell, Editor

PO Box 916, Gold Bar, Wa 98251

• Notices

- District Meeting—Thursday, April 18, 1996 7 PM Marysville Ed. Center

• Agenda:

- 1 Chair remarks
- 2 Approval of minutes of 3/21/96 meeting
- 3. Treasurer's report
- 4. Old Business
- 5. New Business
 - a. '96 election endorsement requests
- 6. Good of the Order
- 7. Adjourn

- Monthly Breakfast—May 4, 1996 9 AM

- Harvey's at the Airport—Snohomish
- Guest Speakers—Lt. Governor Candidates Greg Fisher and Paull Shin. Possibly Brad Owen

- Should be an exciting debate.

- Heads up for our June Breakfast—Date changed to June 8, 1996 @ 9 AM.

- Harvey's in Snohomish Candidates Gary Locke and Norm Rice Come early for seats on this one.

- Minutes of March 21, 1996 39th District meeting:



- Meeting was called to order at the Marysville Educational Center by Chair Joann Rossall at 7:15 PM

- Following candidates were introduced: Bob Craven, candidate for 39th District State Senate, Pat Patterson, candidate for 39th District State Senate, Sue Adams spoke for Hans Dunshee who was attending a Charter Review Commission meeting. Hans is a candidate for the empty 39th District House seat, Jeff Soth, Mayor of Snohomish, also a candidate for the 39th District House Seat

- Joann announced the primary night party at Mardini's in

Snohomish.

- Kevin Quigley donated \$3500.00 to pay for a district organizer

- Sec'y's report was received without objection.
- Treasurer's report.
- A donation of \$2,000.00 was received from organized labor, \$200.00 donation from Mr. Hugh Meyers; approx. \$208.00 was received at the last breakfast; authority was given to pay \$56.00 due on entertainment book sale.
- Caucus report: 124 people attended, 99 delegates were awarded to Pres. Clinton, Lynden LaRouche got one and Mario Cuomo received one

- Kevin Quigley spoke on behalf of his candidacy for the 2nd Congressional District seat now held by Metcalf.
- He requested and received a non-exclusive endorsement
- He requested and received \$2,000.00 from the district
- Steve Hobbs was hired as a district organizer for the period 4-1-96 to 4-30-96 @ \$1,700.00 per month with \$300.00 for expenses



FEDERAL ELECTION COMMISSION

Washington, DC 20463

July 10, 1996

Joseph D. Bowen
P.O. Box 2935
Mount Vernon, WA 98273

RE: MUR 4409

Dear Mr. Bowen:

This letter acknowledges receipt on July 3, 1996, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

The respondents will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4409. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander".

Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosure
Procedures

28043874770



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 10, 1996

Kevin W. Quigley
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MUR 4409

Dear Mr. Quigley:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4409. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact a member of the Central Enforcement Docket at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in black ink, appearing to read "Colleen T. Sealander". The signature is fluid and cursive, with the first name being the most prominent.

Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

2004 / 8 / 4 / 7 / 2



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 10, 1996

Christine Wakefield, Treasurer
Kevin Quigley for Congress
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MUR 4409

Dear Ms. Wakefield:

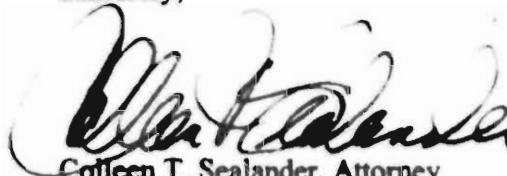
The Federal Election Commission received a complaint which indicates that Kevin Quigley for Congress ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4409. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact a member of the Central Enforcement Docket at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

23043874774



FEDERAL ELECTION COMMISSION

Washington, DC 20463

July 10, 1996

Joann Rossall, Chair
39th Legislative District Democratic Organization
228 Avenue E
Snohomish, WA 98290

RE: MUR 4409

Dear Ms. Rossall:

The Federal Election Commission received a complaint which indicates that the 39th Legislative District Democratic Organization and its treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4409. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the 39th Legislative District Democratic Organization and its treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact a member of the Central Enforcement Docket at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in black ink, appearing to read 'Colleen T. Sealander', written in a cursive style.

Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

28042874716



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 10, 1996

Kevin Quigley
Citizens for Quigley
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MUR 4409

Dear Mr. Quigley:

The Federal Election Commission received a complaint which indicates that Citizens for Quigley and its treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4409. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Citizens for Quigley and its treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact a member of the Central Enforcement Docket at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in black ink, appearing to read "Colleen T. Sealander", written over a light gray rectangular background.

Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

28043747/8

Kevin
QUIGLEY
for US Congress • 2nd District

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 1 3 30 PM '96



Colleen T. Sealander
Central Enforcement Docket
Federal Elections Commission
999 E Street NW
Washington, D.C. 20463

RESPONSE TO COMPLAINT MUR 4409 FILED BY JOE BOWEN FOR CONGRESS
CAMPAIGN; MUR 4408 FILED BY THE NATIONAL REPUBLICAN COMMITTEE,
AS AMENDED; AND MUR 4410 FILED BY M.D. "MIKE" CARTER.

Dear Ms. Sealander:

Please find attached our response to the above-referenced complaints. As you will see by the attached response, the evidence is overwhelming that no FEC violations have occurred which were not corrected prior to the filing of the above complaints.

Each of the above complaints was filed in an attempt to garner media attention and each is contradicted by over a dozen sworn statements which are included in the attached response. Because the complainants are blatantly misusing the FEC for illegitimate purposes we hereby request that you expedite review of this matter and dismiss the above referenced complaints as without merit.

Sincerely,

Kevin W. Quigley

Independent leadership for working families.



Colleen T Sealander
Central Enforcement Docket
Federal Elections Commission
999 E Street NW
Washington, D C 20463

28043874730
RESPONSE TO COMPLAINT MUR 4409 FILED BY JOE BOWEN FOR CONGRESS
CAMPAIGN, MUR 4408 FILED BY THE NATIONAL REPUBLICAN COMMITTEE,
AS AMENDED; AND MUR 4410 FILED BY M D "MIKE" CARTER.

We have reviewed the above-referenced complaints alleging that 1. the Quigley for Congress campaign has transferred funds from the Citizens for Quigley [for State Senate Campaign] fund ("Quigley State Senate Campaign Fund") to the Quigley for Congress campaign, 2. that the 39th Legislative District Democrats (the "39th District Democrats") hired a district organizer to work on the Quigley for Congress campaign, and 3. that the Quigley for Congress campaign accepted a contribution in excess of the allowed contribution limit. The first two of these charges are wholly without merit and the third was discovered and promptly corrected by the Quigley for Congress campaign prior to the filing of any of the above-referenced complaints.

A Funds Transfer Complaint

The initial complaint is that a portion of a \$3,500 contribution from the Quigley for State Senate Campaign Fund to the 39th District Democrats was "funneled" to the Quigley for Congress campaign. The complaint alleges that this occurred at a March 21, 1996 meeting of the 39th District Democrats. This allegation is completely false.

1 In Washington State voters are not registered by party therefore political organizations customarily engage in voter identification projects in order to target resources, engage in door-to-door canvassing and get-out-the-vote efforts. For over a year prior to the March 21, 1996 meeting of the 39th District Democrats, Senator Quigley had been working to cause the 39th District Democrats to hire a district organizer to create a computerized database of identified Democratic, Republican and special interest voters (i.e., pro-life, pro-choice, etc.) (the "Voter ID Database") to make doorbelling

more effective for candidates. This information was to be garnered from a number of sources, primarily from annotated walking lists created by doorbelling efforts conducted by previous campaigns in the 39th legislative district (including Senator Quigley's 1992 Senate election). At the October 18, 1995 meeting of the 39th District Democrats, Senator Quigley outlined the Voter ID Project and a motion was passed that a fund would be created for the Voter ID Project and that all funds raised for the project could only be used for that project. See schedule A, handwritten minutes from the October 18, 1995 meeting, item 12.

2 On March 8, 1996, Senator Quigley formally began a campaign for the U.S. Congress making available a substantial amount of surplus state senate campaign funds in the Quigley State Senate campaign fund. A significant portion of this amount was distributed to Democratic organizations as is typical with surplus funds (i.e., \$10,000 was contributed to the State Senate Democratic Caucus Campaign Committee and \$1,000 to the Whatcom County Democrats). At the March 21, 1996 meeting of the 39th District Democrats, Senator Quigley pledged \$3,500 exclusively to hire a district organizer to complete the Voter ID Project. See schedule B, handwritten minutes of the March 21, 1996 meeting. By virtue of the earlier 39th District Democrat's October 18, 1995 resolution, the contribution could only be used for the Voter ID Project.

3 At the March 21, 1996 meeting of the 39th District Democrats it was proposed that Steve Hobbs be hired for two months to complete the Voter ID Project. After discussion the body voted unanimously to hire Mr. Hobbs but on a one month trial basis for up to \$1,700 and up to \$300 in expenses, with a one month extension after the body had received a report on the progress of the Voter ID Project. See schedule B.

4 At the April 18, 1996 meeting of the 39th District Democrats Mr. Hobbs reported on the status of the Voter ID Project and the body voted unanimously to approve payment of \$1,600 for April and up to \$1,700 for May. See schedule C, minutes of the April 18, 1996 meeting. Mr. Hobbs ultimately received payment in the amount of \$3,300 for his work on the Voter ID Project. See schedule D, canceled checks from the 39th District Democrats to Mr. Hobbs.

5 At the March 21, 1996 meeting of the 39th District Democrats, Senator Quigley asked for an endorsement from the 39th District Democrats. The request carried unanimously. Following his receipt of the endorsement, Senator Quigley made a request for a \$2,000 contribution from the 39th District Democrats. The request for a contribution was approved unanimously.

6 At no time in the meeting was Senator Quigley's contribution to the Voter ID Project tied to his request for an endorsement and a contribution. This is confirmed by Senator Quigley, see schedule E, the chairwoman of the 39th District Democrats, see schedule F, the secretary of the 39th District Democrats, see schedule G, numerous other participants at the meeting, see schedules H - P, and, importantly, at least one supporter.

of, and contributor to, the Joe Bowen for Congress campaign who was present at the meeting, see schedule Q

7. The Joe Bowen for Congress complaint offers a statement by Randy Gray. Mr. Gray is a supporter of Joe Bowen for Congress and a person who was embittered by the decision of the Washington State Labor Council to exclusively endorse Kevin Quigley for Congress. Mr. Gray mounted an unsuccessful effort to gain a dual endorsement by the Washington State Labor Council to include Mr. Bowen. Mr. Gray's statement is contradicted by the minutes of the meeting of the 39th District Democrats and the statements of the others present at the meeting, including at least one supporter of, and contributor to, Joe Bowen for Congress. Mr. Gray contends in his statement that the contribution from the Quigley for State Senate Campaign and the contribution to the Kevin Quigley for Congress Campaign were discussed as a single motion. Mr. Gray states that "we approved a motion to both accept the gift and make the donation." This is contradicted by the minutes from the meeting. The handwritten minutes of the meeting demonstrate that the two contributions were never discussed together and that there was a long gap between the discussions and several intervening motions and reports. The statements of those others present also indicate clearly that the two matters were never tied together. See paragraph 6, above, and the related schedules.

B Impermissible Campaign Worker

It is also alleged that the district organizer who was hired, Mr. Hobbs, performed work to benefit the Quigley for Congress campaign while being paid by the 39th District Democrats. This is contradicted by the truth and by the action of Mr. Bowen, himself, and his supporters.

1. Mr. Hobbs completed his contract with the 39th District Democrats by performing at least the expected 40 hours per week for two months on the Voter ID Project. See schedule I. Although Mr. Hobbs did begin his work on the Voter ID Project out of the Quigley for Congress campaign headquarters this was only for a limited time and only because a major part of the project was to take information from the Quigley for State Senate annotated walking lists and move them into a single database. After gathering this information from the Quigley for State Senate files Mr. Hobbs completed the project by working out of his home. The process of creating the Voter ID Database involved the process of taking thousands of entries from hard copies of annotated walking lists and entering each one in a new database. The process was complicated by the fact that precinct boundaries had changed and this required more data search and data entry time. Approximately twenty-two thousand special entries were cataloged on the Voter ID Database. See schedule I. Mr. Hobbs did perform a small number of volunteer activities for the Quigley for Congress campaign, primarily on weekends and in the evenings, however, this work was strictly volunteer in nature and none was conducted while he was being compensated by the 39th District Democrats. See schedule I.

Candidates currently using the database created by the Voter ID Project have praised its value. See schedules H and J. The Quigley for Congress Campaign has not received a copy of the database created by the Voter ID Project. See schedules E and F. The Voter ID Project is primarily a tool for door-to-door canvassing which is not a substantial element of a Congressional or other federal campaigns.

2 The allegation that Mr. Hobbs was working on the Quigley for Congress campaign is contradicted by the actions of Mr. Bowen and his supporters. Mr. Bowen and several of his supporters attended the April 19, 1996 meeting of the 39th District Democrats when it was voted unanimously to extend Mr. Hobb's contract to complete the Voter ID Project. No issue or concern was raised regarding Mr. Hobb's work by Mr. Bowen, any of his supporters, or anyone else. It is inconceivable that Mr. Bowen's supporters would have voted to extend Mr. Hobb's contract if Mr. Hobbs was actually surreptitiously working on the Quigley for Congress Campaign.

3 Mr. Gray's assertion that his efforts on the Voter ID Project were diverted by the Quigley for Congress campaign is false. The work party for which Mr. Gray volunteered had been canceled and did not take place. See schedule I.

C Excessive Campaign Contribution

As to the \$1,000 excess contribution from the 39th District Democrats, we reviewed our books and found that it had not been properly designated as a contribution for the general election. Upon this discovery, the \$1,000 excess contribution was promptly returned to the 39th District Democrats. The excess contribution was returned prior to the filing of any of the above-referenced complaints. See schedule P and R.

July __, 1996

Kevin Quigley for Congress Campaign Committee
By Kevin W. Quigley

Kevin W. Quigley

C. Wakefield

Christine Wakefield
Treasurer,

Quigley for Congress Campaign Committee

Oct. 18 Meeting called to order.

- ① Fund Raiser at the Walte Building at 5.30 Friday, Oct. 19.
Help needed at 4.30.
- ② JoAnn has received \$1000. Wash. Fed. of State Employees
This to be used to do voter registration.
- ③ This next week the State will send out a 10,000 piece mailing. They will pay \$1200.00 for us to stuff envelope.
Can use downstairs at Silver King.
- ④ Adopting a family for Christmas was suggested.
- ⑤ Donate \$250.00 to Strike Funds (Hardship Fund)
- ⑥ Our December Meeting will be held at Sarah Hollenbeck
It will be a Christmas Party. potluck
- ⑦ We may give \$250.00 to Local Food Bank.
- ⑧ Kevin Quigley felt we should stay focused on electing candidates
- ⑨ Chairman announced that a Committee be formed to
as a fund raiser for Food Bank - A Food Drive Committee
~~Committee~~ Committee of three will be in charge: Jim Cummins,
Dennis Engman, A. Hollenbeck
It was moved the committee be seconded by Kevin Quigley
to appoint the above committee
- ⑩ It will be resolved that the 3rd dist. express
its support and solidarity with the Boeing
Machine Tool Union. Moved by Kevin Second by
Steve Hobbs. Resolution passed unanimously.
Steve Hobbs will write the resolution and give out
the press release.
- ⑪ Kevin Quigley Reported on PAC money donations and
voter identification.
a) Kevin went over the Party Building Project.
b) See Flier !!
- ⑫ Kevin made Todd Engman seconded that we adopt the
and be empowered to conduct

(2)

to do this, and all donated funds for the project be used by the project. Motion carried.

Al Hollenback wondered what our Democratic stand for. Kevin felt we need to identify what we stand for, what will appeal to our voters.

⑬ Sarah Hollenback continued to push for Selling Entertainment Book as a fundraiser. There are 3 editions - South west, South, South West.

⑭ Sarah Hollenback borrowed table and chairs from Episcopal Church. Donna volunteered to help return table on Saturday.

⑮ Jan reminds us that we have to fill out paperwork for POC.

⑯ Goals of the 2-4 - Get out volunteers to help. We need more volunteers to plan the

Sign In

Name

Present

MAY E. REAR

SAUK

LARRY KUNEN

MARION

LARRY KUNEN

ARLINGTON -4

STEVEN HOBBS

AMBASSADOR at large

KATHLEEN SILVER

TUSCO

JIM CUMMINS

MONROE

DANIEL LYNCH

TRAFTON

DANIEL LYNCH

SANTA FE

JIM CUMMINS

SCHMIDT JR

LARRY KUNEN

-

ROBERT BOLD

JIM CUMMINS

MAY CREEK

JIM CUMMINS

SANDROCK

JIM CUMMINS

KIMBLEY

Memoir HULVONSON - SULTON

KEVIN GUGLIELMI: WANTS NON-EXCLUSIVE ENDORSEMENT
FOCUS ON WORKING FAMILIES

FAIRNESS:

ALL BUDGET - NO TAX CUTS - GOT TO BE FOR

SECURITY:

Job Security

RESPONSIBLE Health CARE FOR ALL

off For The Future

INCREASING FUND

EDUC.

INVEST IN PEOPLE

COMPANY FINANCE REPORT

HAS GUT HIS

NON-EXCLUSIVE ENDORSEMENT:

CARRIED UNANIMOUS

2000 WANTS '2,000' FROM DISTRICT
MOVED, 2nd + CARRIED

'Hina Hobbs'

K ... STEADY UP TO '1700' + 300⁺ FOR EXP.

--- 5 --- 25

Hugh Meyers: spoke on service & t
still back & no one wanted to

Letter re Hays says complaint, write a little only
for explanation - for & I will write

Jim Cramer: need some conditions for rain water
Jim Cramer - " letter for rain

Jim Cramer made a plan
Sara & Jim Cramer

Down of committee, find rain

And join

8:50

Range sub

G. H. L.

39 ^{L₆} DIST.

ROSTER

3-21-76 mlg.

Name

Crystal Silva

PATRICIA PATTERSON

Bob Guend

Charles Jay

RANDY GARY

Bob Guild

JEFF SOTH

LARRY KUNETZ

KEVIN QUIGLEY

Jim Hummer

SUE ADAMS

Todd Nichols

Kathy Conrad

Lois Craven

Jean Russell

Christine Wakefield

Tam Torgerson

Steven Hobbs

Hugh MEYERS

28043874720

**Minutes of April 18, 1996 Meeting
39th Legislative District Democratic
Organization**

Meeting called to order at 7:15 P.M. by Chair Joann Rossall.

Approved of payment of following bills: \$70.12 for Donkey Whistle; \$35.68 for name tags, buttons, etc. \$13.50 to Sara Hollenbeck for something.

County convention proceeded smoothly, according to Joann.

Following candidates were introduced and received non-exclusive endorsements: Pat Patterson; Joe Bowen; Hans Dunshee; Jeff Soth. Paul Shinn wrote a letter and requested and received a similar endorsement.

Minutes of prior meeting were approved

Phyllis Kenney wrote a letter re her candidacy for Secy of State.

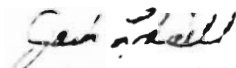
There was a discussion of candidates marching in various community parades under the aegis of the 39th District i.e. we pay and they share due to very substantial entry fees.

Payment to Steve Hobbs in the amount of \$1600.00 for salary and expenses for month of April was approved. Subject to chair's approval another \$1700.00 was authorized for May, 1996.

Bob Guild reported on the District Caucus at the Masonic Hall. Rental payment of \$92.00 and \$4.87 miscellaneous was approved.

Meeting adjourned at 8:45 P.M.

Respectfully submitted,


Jack Lobdell

FROM : JIM LA VERNE CUMMINS

PHONE NO. : 360 794 1171

Jul. 18 1996 02:15PM PT

39TH DISTRICT DEMOCRATS 649

4/22/96

PAY TO THE ORDER OF Steven Hobbs \$ 1600.00

sixteen hundred and No/100 DOLLARS

F SINCERELY OFFICE
FRONTIER BANK
215 Ave. D, Spokane, WA 99201

Contract J. Cummings

39TH DISTRICT DEMOCRATS 652

5/22/96

PAY TO THE ORDER OF Steve Hobbs \$ 1700.00

seventeen hundred and No/100 DOLLARS

F SINCERELY OFFICE
FRONTIER BANK
215 Ave. D, Spokane, WA 99201

Service rendered J. Cummings

98043874792

AFFIDAVIT

I, Kevin Quigley, being first duly sworn on oath, hereby deposes and swears to the following

I reside at 1029 Springbrook Road, Lake Stevens, Washington, Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996

I was present at the March 21, 1996 meeting of the 39th District Democrats and pledged \$3,500 from my State Senate campaign funds to hire a district organizer. I made it completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. The amount of \$3,500 was selected as my estimate of the cost to hire a district organizer for two months to move data from annotated walking lists from a number of legislative candidates to a new voter database file. I anticipated that literally thousands of entries would need to be made

Later in the same meeting I asked for and received the endorsement of the 39th District Democrats. After receiving the endorsement I asked for a contribution for my Congressional campaign. Both motions passed unanimously. I never tied the contribution from my State Senate Campaign fund to complete the voter identification database to my request for a contribution from the 39th District for my Congressional campaign. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I have reviewed the affidavit of Randy Gray. I know Randy Gray as a supporter of Joe Bowen for Congress and as a person who was bitter about the decision of the Washington State Labor Council to endorse me exclusively in my race for Congress. Mr. Gray had unsuccessfully mounted an effort to gain a dual endorsement from the Washington State Labor Council to include Mr. Bowen.

I have reviewed the affidavit of Mr. Gray and can say that it is a complete fabrication which does not square with the truth or the handwritten minutes of the meeting it purports to describe.

Mr. Gray suggest that my contribution of \$3,500 was tied to a contribution back to my Congressional campaign and that the matters were discussed and decided on together in a single motion. The reality, as the handwritten minutes of the meeting demonstrate, is that the two contributions were never tied together and that there was a 30 - 45 minute gap between the discussions and several intervening motions and reports. Further, I never, at the meeting or any other time, formally or informally, suggested that any of my contribution to the 39th district should be recontributed to my Congressional

campaign. Quite the opposite, I made it clear that this could not be done. The amount which I contributed from my State Senate surplus campaign funds was based on the cost of hiring a district organizer for two months and this is how the money was intended and actually spent.

Mr. Gray says that I reported that the district would receive "unsolicited cash donations," this is also untrue. There was no discussion by me or anyone else at the meeting regarding any type of cash contributions and in my experience I know of no organization which makes cash contributions.

The Quigley for Congress Campaign has not requested or received the results of the Voter ID Project. The project was designed as a door-to-door canvassing tool primarily for legislative candidates.

I certify under penalty of perjury that the foregoing is a true and correct statement.

July 1, 1996

A handwritten signature in dark ink, appearing to read "Kevin Quigley", is written over a horizontal line.

Kevin Quigley

28043874794

AFFIDAVIT

I, Joann Rossall, declare as follows

I reside at 228 Avenue E, Snohomish, Snohomish County, Washington. I attended the regularly scheduled meeting of the 39th District Democratic organization on March 21, 1996 and April 18, 1996. I am the Chairwoman of the 39th district organization. I make this sworn statement of personal knowledge.

I have reviewed the affidavit of Randy Gray. As the person who chaired the March 21, 1996 meeting of the 39th district democrats I cannot understand the Gray affidavit as it does not reflect what really occurred at that meeting.

Mr. Gray says that Senator Quigley proposed a \$3,500 donation and specified that \$2,000 was to be contributed back to his Congressional campaign. This is simply not true. It was well understood by all that the entire \$3,500 was to be spent on a party organizer to complete the walking list project and that none of it could be used as contributions to candidates. We have been working on the computer walking list project since October 1995 and everyone present saw Senator Quigley's contribution as a way to complete this project. The discussion was clear that the \$3,500 amount was arrived at as an estimate of two months salary for a district organizer. The matter of a contribution to Senator Quigley's congressional campaign was not raised until later in the meeting. Prior to requesting a contribution Senator Quigley formally asked for our endorsement. Contributions may only be given to endorsed candidates. Everyone in the room, including Mr. Gray, endorsed Kevin Quigley and authorized a \$2000 donation to his campaign. Mr. Gray is completely incorrect when he says that the \$3,500 contributed to hire a district organizer and the \$2,000 contribution to the Quigley for Congress campaign were ever tied together. The two items were not even discussed together. We had ample funds of our own to cover the \$2000 check.

Mr. Gray also says that Senator Quigley reported that the district would receive "unsolicited cash donations." There was no discussion whatsoever by anyone regarding cash contributions. As Chairwoman of the 39th District Democrats I can report that we have never received a substantial cash contribution.

The Quigley for Congress Campaign was not given the results of the walking list project.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is a true and correct statement.

Signed at Snohomish, Washington this 29 day of July

Joann Rossall
Joann Rossall

AFFIDAVIT

Jack Lobdell, being first duly sworn on oath, hereby deposes and swears to the following

I reside at P.O. Box 912, Gold Bar, Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly

I certify under penalty of perjury that the foregoing is a true and correct statement.

July 16, 1996

Jack J. Lobdell, Sec. 39 ^{QE}
JACK J. LOBDELL DISTRICT DEMOS.

AFFIDAVIT

I, Jeff Soth, being first duly sworn on oath, hereby deposes and swears to the following:

I reside at 528 13th Street, Snohomish, Snohomish County, Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996. I currently serve as Mayor of the City of Snohomish.

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I am currently a candidate for the State House of Representatives in the 39th legislative district and was at the time of the March 21, 1996 meeting. I am certain that my memory of the meeting is accurate because the completion of the voter identification database was extremely important to my campaign. I am currently using the database in the course of doorbelling the legislative district. I have worked on a number of campaigns, including my own for Mayor of Snohomish, and the voter identification database is a unique tool. The database includes thousands of voting characteristics for thousands of voters. The creation of the voter database is a labor intensive project which my campaign could not have hoped to complete independently. Given the value of the voter database I was keenly attentive to the discussions surrounding the hiring of a district organizer to create the file.

I certify under penalty of perjury that the foregoing is a true and correct statement.

July 16 1996

A handwritten signature in dark ink, appearing to read "Jeff Soth", is written over a horizontal line.

Jeff Soth

28043874798

AFFIDAVIT

1. Steven Hobbs, declares as follows

I reside at 2901 117th Ave NE, Lake Stevens, Snohomish County, Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996. I make this sworn statement of personal knowledge.

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that amount was the approximate amount required to hire a district organizer for two months. I am absolutely certain that the funds were intended to hire a district organizer to complete the voter identification database because Senator Quigley had approached me prior to the meeting, told me that he'd be making the contribution, and asked me if I would be willing to complete the voter identification database. Senator Quigley said he would recommend to the 39th District Democrats that I be hired as the district organizer to create the voter database.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

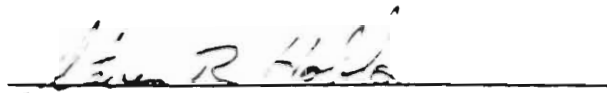
I performed the work to create the voter identification database over a two month period beginning on April 1, 1996. I registered with Washington State as a business so that I could perform the work for the 39th district. The process involved painstakingly taking names from computer files and hard copies of annotated walking lists from several candidates and moving them to a single file. The process was complicated by the fact that precinct lines had changed. I kept a very accurate record of my time spent on the creation of the computerized database and never failed to log at least 40 hours per week over each week of the two month period that I was hired for. In most weeks my time exceeded this amount. I began the process working out of the Quigley for Congress campaign headquarters because that is where the annotated walking lists were from the Quigley for State Senate campaign. After adding that data I completed the remainder of the project from my home. The vast majority of my time was spent working out of my home. Over the course of the project I had annotated about 22,000 records.

A small number of work parties on the voter identification list were conducted at the Quigley for Congress campaign headquarters. Mr. Gray did show up for the first work party but that work party was canceled. I personally told Mr. Gray that the meeting to work on the voter identification list was canceled because I had not yet created a template for data entry nor was I completely familiar with Senator Quigley's state senate database. I could not properly guide Mr. Gray on data entry. After a few days I had become adequately knowledgeable in the data base that I could teach and guide others in data entry. Those people that did volunteer work on the Voter ID project were: Larry Kuney, Lorraine Payne, Dan Deakins and Darlene Larson.

I have on a number of occasions volunteered for the Quigley for Congress Campaign but never while being paid by the 39th District.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is a true and correct statement.

Signed at Lake Stevens, Washington this 24 day of July 1996



Steven Hobbs

28043874800

Schedule J

AFFIDAVIT

I Patricia Patterson, declare as follows:

I reside at 17504 27th NE, Arlington, Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996. I make this sworn statement of personal knowledge.

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months.

My recollection on the above matter is very clear because I am a candidate for the State Senate in the 39th legislative district and I anticipated that the completion of the voter identification database would be of great benefit to me as a campaign tool. I am currently using the database in the course of doorbelling the 39th legislative district. It is obvious that the creation of the voter identification database was labor intensive, as it includes literally thousands of entries specifying the voting and issue tendencies of households.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I declare under penalty of perjury under the laws of the state of Washington, that the foregoing is a true and correct statement.

Signed at Snohomish, Washington this 19th day of July

Patricia Patterson

Patricia Patterson

AFFIDAVIT

HUGH MEYERS being first duly sworn on oath, hereby deposes and swears to the following

I reside at 532 201st Ave. NE Snohomish, WA, Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996.

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months; STEVE NOBBS WAS DESIGNATED AS THE ORGANIZER.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I certify under penalty of perjury that the foregoing is a true and correct statement.

July 17 1996


Hugh Meyers

AFFIDAVIT

LAWRENCE RUNEY, being first duly sworn on oath, hereby deposes and swears to the following

I reside at 520 E 3rd St - Everett Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I certify under penalty of perjury that the foregoing is a true and correct statement.

July 2, 1996

Lawrence Runey

Lawrence Runey

AFFIDAVIT

Robert Guild, being first duly sworn on oath, hereby deposes and swears to the following:

I reside at 11930 - 42nd St. S.E. Snohomish Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996.

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I certify under penalty of perjury that the foregoing is a true and correct statement.

July 17, 1996

Robert Guild

AFFIDAVIT

I Bob Craven, declares as follows:

I reside at 1509 Mitchell Road, Lake Stevens, Snohomish County Washington. I attended the regularly scheduled meetings of the 39th district democratic organization on March 21, 1996. I make this sworn statement of personal knowledge.

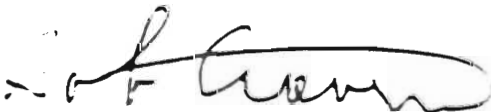
I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer.

At the time of the March 21, 1996 meeting of the 39th District Democrats I was a candidate for the State Senate. As a candidate I am certain that I clearly recollect that the \$3,500 was pledged to hire a district organizer because I recognized that this would benefit my campaign. After the pledge was made I remember making a comment of thanks to Senator Quigley during the meeting.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together.

I declare under penalty of perjury, under the laws of the State of Washington that the foregoing is a true and correct statement.

Signed at Lake Stevens, Washington this day of July 1996.



Bob Craven

AFFIDAVIT

I Kathy Conrad, declares as follows

I reside at 1509 Mitchell Road, Lake Stevens, Snohomish County Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996


I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months

I do not regularly attend meetings of the 39th District democrats. I was present at the March 21, 1996 meeting because my fiance, Bob Craven, was a candidate for the State Senate in the 39th district. I remember the discussion regarding the hiring of a district organizer and the voter database clearly because it was clear it would benefit Bob Craven's campaign. After the pledge was made by Senator Quigley I remember Bob thanking Senator Quigley for the contribution

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I declare under penalty of perjury, under the laws of the state of Washington that the foregoing is a true and correct statement.

Signed at Lake Stevens, Washington this 25 day of July


Kathy Conrad

SWORN STATEMENT
OF
CHRISTINE WAKEFIELD

RESPONSE TO MUR # 4408
MUR # 4409
MUR # 4410

I am Christine Wakefield, Treasurer for the Quigley for Congress Campaign. I reside at 13231 Woods Lake Road, Monroe, Snohomish County, Washington. I make this sworn statement of personal knowledge.

I understood that political parties that have not qualified as multi-candidate committees (see page 6, FEC Campaign Guide) were bound by the same limit as individuals (i.e. \$1,000 per election). It appeared that the \$2,000 contribution from the 39th District Democrats, was clearly within these limits, \$1,000 for the primary and \$1,000 for the general.

As Treasurer, it was my responsibility to complete the FEC form correctly. I did not check the box marked general election in regard to the second \$1,000 dollars. In addition, upon closer examination of our records, we realized that, in fact, the donation had not been properly designated, per FEC guidelines, by the 39th District Democrats. As we were beyond the 60 day re-designation time-line, the decision was made to refund the second \$1,000 (see attached letter). The refund to the 39th District Democrats was sent prior to the filing of any FEC complaints. In researching this issue my contacts with FEC staffers (Dorothy Yeager and Kevin Sailer) assured me that had the check been properly designated and the FEC form marked correctly, it would have been totally within FEC contribution limits, despite the fact that the local party was not properly registered. This is no longer an issue as the \$1,000 was refunded to the 39th District Democrats.

As to the balance of issues in the above referenced complaints, they do not directly involve my role as Treasurer for the Quigley for Congress Campaign, and are addressed in the other documents submitted.

I certify, under penalty of perjury, under the laws of the state of Washington that the foregoing is a true and correct statement.

Signed at Sk. Stevens, Washington this 25 day of July, 1996

C. Wakefield

Christine Wakefield

Kevin QUIGLEY

for US Congress • 2nd District



June 24, 1996

Jim Cummins
Treasurer, 39th District Democrats
P O Box 512
Maurice, WA 98272

Dear Jim,

Please find enclosed a refund check for \$1,000. This check represents a refund of a contribution received by our campaign from the 39th District Democrats.

Although the recent publicity surrounding the contribution from the 39th District Democrats is little more than political mudslinging it did cause us to review our books for FEC compliance. In the course of that review we did determine that we had made a technical error in not designating the \$2,000 as a \$1,000 contribution for the primary election and a \$1,000 contribution for the general election. We had been under the impression that the 39th district was qualified as part of the Washington State Democratic Party, and indeed, your contribution does count against the party's limit. However, under closer review we now understand that the 39th district is subject to different requirements in some regards. As a result we are refunding the \$1,000 which should have been designated for the general election.

Best regards,

Quigley for Congress Campaign

P-2

Independent leadership for working families.

28043874808

FROM : JIM LA VERNE CUMMINS

PHONE NO. : 360 794 1171

JUL 16 1996 07:12 PM PT

QUIGLEY FOR CONGRESS COMMITTEE
1029 SPRINGBROOK RD. 206-334-8019
LAKE STEVENS, WA 98253

1169
98-7521251

6/24/96

PAY TO THE ORDER OF 3rd District - Denver \$ 1,000.00

One Thousand and 00/100

LAKE STEVENS OFFICE
FRONTIER BANK
P.O. Box 227 Lake Stevens, WA 98253
Member FDIC

Signature: [Handwritten Signature]

28043874809

AFFIDAVIT

I Dennis Ingram, declares as follows:

I reside at 12204 Huckleberry Lane, Arlington, Snohomish County, Washington. I attended the regularly scheduled meetings of the 39th District Democratic organization on March 21, 1996. I make this sworn statement of personal knowledge.

At the time of the March 21, 1996 meeting I was a supporter of Joe Bowan for Congress. I had made a contribution to the Bowan for Congress campaign, expressed my support to Mr. Bowan personally and offered my shop for the purpose of making signs and was known in the local democratic community as a supporter of Mr. Bowan.

I was present at the March 21, 1996 meeting of the 39th District Democrats when Senator Quigley pledged \$3,500 from his state Senate campaign funds to hire a district organizer. It was completely clear from the discussion that this amount was to be used exclusively to hire a district organizer to complete the voter identification database project. It was understood that that amount was the approximate amount required to hire a district organizer for two months.

I was present later in the same meeting when Senator Quigley asked for the endorsement of the 39th district, and, after receipt of that endorsement, later asked for a contribution. Both motions passed unanimously. Senator Quigley's request for a contribution was never tied to the contribution from his State Senate Campaign fund to complete the voter identification database. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly.

I declare under penalty of perjury under the laws of the state of Washington, that the foregoing is a true and correct statement.

Signed at Snohomish Washington this 17th day of July



Dennis Ingram

Kevin QUIGLEY

for US Congress • 2nd District



June 24, 1996

Jim Cummins
Treasurer, 39th District Democrats
P.O. Box 512
Monroe, WA 98272

Dear Jim:

Please find enclosed a refund check for \$1,000. This check represents a refund of a contribution received by our campaign from the 39th District Democrats.

Although the recent publicity surrounding the contribution from the 39th District Democrats is little more than political mudslinging it did cause us to review our books for FEC compliance. In the course of that review we did determine that we had made a technical error in not designating the \$2,000 as: a \$1,000 contribution for the primary election and a \$1,000 contribution for the general election. We had been under the impression that the 39th district was qualified as part of the Washington State Democratic Party, and indeed, your contribution does count against the party's limit, however, under closer review we now understand that the 39th district is subject to different requirements in some regards. As a result we are refunding the \$1,000 which should have been designated for the general election.

Best regards,

Quigley for Congress Campaign

R-1

Independent leadership for working families.

FROM : JIM LA VERNE CUMMINS

PHONE NO. : 360 794 1171

JUL 16 1996 07:53PM PT

QUIGLEY FOR CONGRESS COMMITTEE
1029 SPRINGBROOK RD. 206-334-8019
LAKE STEVENS, WA 98258

1169
10-792-1251

6/24/96

PAY TO THE ORDER OF 34th District Devo S 1,000.00

One Thousand Only

LAKE STEVENS OFFICE
FRONTIER BANK
P.O. Box 127 Lake Stevens, WA 98258
A FULL SERVICE BANK FOR THE COMMUNITY

Where Deposits Agree Make The Difference

hw

28047874312

PUBLIC DISCLOSURE COMMISSION
 711 CAMDEN WAY RM 400
 PO BOX 40000
 OLYMPIA WA 98541-0000
 (360) 795-1171

REGISTRATION: POLITICAL COMMITTEES

MUR 4409

C1E
(11/85)

RECEIVED
13 2 42 PM '97

Committee Name (Show only official name)

39th Legislative District Democrats Organization

Main Address

228 Ave F

City

Snohomish

County

Snohomish

State

WA

Zip

98290

NEW REGISTRATION OR UPDATE OF PRIOR REGISTRATION?

☐ NEW: Complete all items in the registration

☐ AMENDED: Supply the information below which has changed

1. What is the purpose or description of the committee?

☒ Ballot Measure Political Party Committee (official state or county central committee or legislative district committee). If you are not supporting the entire party ticket, attach a list or specify here the names of the candidates you support.

☐ Ballot Committee (Initiative, Bond, Levy, Recall, etc.)
Name or description of ballot measure:

☐ Political Action Committee, Political Club or Organization (including party club). If PAC is associated with a business, association, labor union, or similar entity, specify name:

☐ Other: Explain on attached sheet.

2. Related or affiliated committees. List name, address and relationship.

3. HOW MUCH DO YOU PLAN TO SPEND DURING THIS ENTIRE ELECTION CAMPAIGN, INCLUDING THE PRIMARY AND GENERAL ELECTIONS BASED ON YOUR ESTIMATE. CHOOSE ONE OF THE REPORTING OPTIONS BELOW. (If the committee is a continuing organization, estimate spending on a calendar year basis.)

If no box is checked you are obligated to use Full Reporting. See reporting instruction booklet for information about reports required and changing reporting options.

ABREVIATED REPORTING

We will use the Abbreviated Reporting System. We will raise and spend no more than \$2,000 and will accept no more than \$200 in the aggregate from any one contributor.

☒ **FULL REPORTING**

We will use the Full Reporting System. We understand this means we must file the frequent, detailed reports required by law.

4. Campaign Manager's or Media Contact's Name and Address

Daytime Telephone Number

()

5. Treasurer's Name and Address (List deputy treasurer on attached sheet.)

Jim Cummings, PO Box 512 Monroe WA 98272

Daytime Telephone Number

(360) 794-1171

6. Committee's Principal Officers and/or Decision-Makers. List name, title, and address. Continue on attached sheet if necessary.

Joann Russell, Chair 228 Ave F Snohomish WA 98290

Steve Hobbs, 1st Vice Chair

Sara Hebecker, 3311 Sutton Boulevard, Sultan WA 98284

Jack Hobdell, Sec. PO Box 916 Gold Bar WA 98254

Jim Cummings, Treas. PO Box 512 Monroe WA 98272

7. Campaign Bank or Depository

Frontier

Branch

Snohomish

City

Snohomish

8. Campaign records are to be open for public inspection the last eight days before the election. (Two hours daily between 8 AM - 5 PM, Monday - Friday.) Show location and hours below.

Street Address (Do not use a Post Office Box Number)

615 Simon Rd, Monroe WA 98272

Hours

10AM-NOON

9. Eligibility to Give to State Office Candidates: During the six months prior to making a contribution to a state office candidate, your committee must have received contributions of \$10 or more from at least ten persons registered to vote in Washington State.

☒ A check here indicates your awareness of and pledge to comply with this provision. Absence of a check mark means your committee does not qualify to give to legislative and executive statewide candidates.

10. Signature and Certification. I certify that this statement is true, complete and correct to the best of my knowledge.

Committee Treasurer's Signature

Jim Cummings July 1, 1996

Need campaign finance forms and instructions for the reporting system selected?

Please check one of the following boxes.

☐ I already have forms and instructions.

☐ I will get forms and instructions from my county elections office.

☐ I want the Public Disclosure Commission to mail me the proper forms and instructions.

REGISTRATION: POLITICAL COMMITTEES

C1
(11/89)

PM
MARK
RECEIVED

SEP 11 1996

Committee Name (Show only official name)
**39th Legislative District Democrats
Organization**

Mailing Address
228 Ave F

City **Snohomish** County **Snohomish** WA **98290**

NEW REGISTRATION OR UPDATE OF PRIOR REGISTRATION?

- ☐ NEW: Complete all items in the registration
☐ AMENDED: Supply the information below which has changed

COMMITTEE STATUS
☒ Continuing committee
☐ 1st election only election date

1. What is the purpose or description of the committee?

☒ State Political Party Committee (official state or county central committee or legislative district committee). If you are not supporting the entire party ticket, attach a list or specify here the names of the candidates you support.

☐ Ballot Committee (Initiative, Bond, Levy, Recall, etc.)
Name or description of ballot measure:

☐ Political Action Committee, Political Club or Organization (including party club). If PAC is associated with a business, association, labor union, or similar entity, specify name:

☐ Other: Explain on attached sheet.

Ballot Number FOR ☐ AGAINST ☐

2. Related or affiliated committees. List name, address and relationship.

3. HOW MUCH DO YOU PLAN TO SPEND DURING THIS ELECTION CAMPAIGN, INCLUDING THE PRIMARY AND GENERAL ELECTIONS BASED ON YOUR ESTIMATE. CHOOSE ONE OF THE REPORTING OPTIONS BELOW. (If the committee is a continuing organization, estimate spending on a calendar year basis.)

If no box is checked you are obligated to use Full Reporting. See reporting instruction booklet for information about reports required and changing reporting options.

☐ ABBREVIATED REPORTING
We will use the Abbreviated Reporting System. We will raise and spend no more than \$2,000 and will accept no more than \$500 in the aggregate from any one contributor.

☒ FULL REPORTING
We will use the Full Reporting System. We understand this means we must file the frequent, detailed reports required by law.

4. Campaign Manager's or Media Contact's Name and Address

Daytime Telephone Number
()

5. Treasurer's Name and Address (List deputy treasurers on attached sheet.)

Jim Cummings, PO Box 512 Monroe WA 98272

Daytime Telephone Number
(360) 784-1171

6. Committee's Principal Officers and Director-Members. List name, title, and address. Continue on attached sheet if necessary.

Joann Russell, Chair 228 Ave F Snohomish WA 98290

Steve Hobbs 1st Vice Chair

Sara Hollenbeck 3311 Sutton Basin Rd. Sutton WA 98294

Jack Hobdell, Sec. PO Box 916 Gold Bar WA 98256

Jim Cummings Treas. PO Box 512 Monroe WA 98272

7. Campaign Bank or Depository
Frontier

Branch

Snohomish

City **Snohomish**

8. Campaign records are to be open for public inspection the last eight days before the election. (Two hours daily between 9 AM - 5 PM, Monday - Friday.) Show location and hours below:

Street Address (Do not use a Post Office Box Number)

615 Simon Rd. Monroe WA 98272

Hours **10AM-Noon**

9. Eligibility to Give to State Office Candidates: During the six months prior to making a contribution to a state office candidate, your committee must have received contributions of \$10 or more from at least ten persons registered to vote in Washington State.

☒ A check here indicates your awareness of and pledge to comply with this provision. Absence of a check mark means your committee does not qualify to give to legislative and executive statewide candidates.

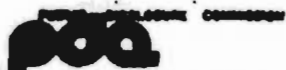
10. Signature and Certification. I certify that this statement is true, complete and correct to the best of my knowledge.

Committee Treasurer's Signature

Jim Cummings July 4, 1996

Need campaign finance forms and instructions for the reporting system selected? Please check one of the following boxes:

- ☐ I already have forms and instructions.
☐ I will get forms and instructions from my county elections office.
☐ I want the Public Disclosure Commission to mail me the proper forms and instructions.



SUMMARY, FULL REPORT RECEIPTS AND EXPENDITURE

C4
(11/93)

PDC OFFICE USE

FILE
NO. 100-1000000

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrats Organization

Mailing Address

228 Ave "F"

City

Seahamish WA

Zip

98290

Office Sought (Candidates)

Report
Period
Covered

From (last C-4)
6/24/96

To (end of period)

7/1/96

Is this your final report? Yes ☐ No ☒

checking

RECEIPTS

1. Previous total cash and in kind contributions (From line 8, last C-4)
(If beginning a new campaign or calendar year, see instruction booklet)

Savings \$1857.88

281.10

2. Cash received (From line 2, Schedule A)

3. In kind contributions received (From line 1, Schedule B)

4. Total Cash and in kind contributions received this period (Line 2 plus 3)

5. Loan principal repayments made (From line 2, Schedule L)

6. Corrections (From line 1 or 3, Schedule C)

Show + or (-)

7. Net adjustments this period (Combine line 5 & 6)

Show + or (-)

8. Total cash and in kind contributions during campaign (Combine lines 1, 4 & 7)

2138.99

9. Total pledge payments due (From line 2, Schedule B)

EXPENDITURES

10. Previous total cash and in kind expenditures (From line 17, last C-4)
(If beginning a new campaign or calendar year, see instruction booklet)

11. Total cash expenditures (From line 4, Schedule A or line 5, Schedule A-e/f)

12. In kind expenditures (goods & services) (From line 1, Schedule B)

13. Total cash and in kind expenditures made this period (Line 11 plus line 12)

14. Loan principal repayments made (From line 2, Schedule L)

15. Corrections (From line 2 or 3, Schedule C)

Show + or (-)

16. Net adjustments this period (Combine lines 14 & 15)

Show + or (-)

17. Total cash and in kind expenditures during campaign (Combine lines 10, 13 and 16)

CANDIDATES

Please complete:

| | Won | Lost | Unopposed | Name not on ballot |
|------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Primary election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| General election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Treasurer's Daytime Telephone No.:

(360) 794-1671

CASH SUMMARY

18. Cash on hand (Line 8 minus line 17)
(Line 18 should equal your bank account balance(s) plus your petty cash balance.)

Savings 1857.88
checking 281.10

2138.99

19. Liabilities: (Sum of loans and debts owed)

2138.99

20. Balance (Surplus or deficit) (Line 18 minus line 19)

Savings & checking

2138.99

CERTIFICATION: I certify that the information herein and on accompanying schedules and attachments is true to the best of my knowledge.

Candidate's Signature

Date

Treasurer's Signature

Date

AJ/A

John Lummis

7/1/96

CASH RECEIPTS
MONETARY CONTRIBUTIONS

C3

PDC OPTION UNIT

RESERVED
MARK
POST

SEP 11 1998

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrats Organization

Mailing Address

228 App F

C

Spokane, WA 98290

204

Office Sought (candidates)

$$u/n$$

1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

| Date Received | Please type or print clearly in ink. | Amount | Total |
|---------------|--|--------|-------|
| | a. Anonymous | 0 | 0 |
| | b. Candidate's personal funds deposited in the bank (include candidate loans in f.c.) | 0 | 0 |
| | c. Loans, notes, security agreements. Attach Schedule L | 0 | |
| | d. Miscellaneous receipts (interest, refunds, auctions, other) Attach explanation | 0 | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | 0 | |

2 CONTRIBUTIONS OVER \$25.00

| 2 CONTRIBUTIONS OVER \$25.00 | | | | | | |
|------------------------------|---|--|-----|-----|--------|---------------------|
| Date Received | Contributor's Name, Address, City, State, Zip | Contributions of \$100 or more: Employer's Name, City and State | PRI | GEN | Amount | Aggregate Total* |
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1. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A (or C4)


4 Date of Deposit:

Treasurer's Daytime Telephone No.:

(360) 794-1171

I certify that this report is true and complete to the best of my knowledge.

Trade **Market**

Teacher's Signature 

20

7196

CASH RECEIPTS

MONETARY CONTRIBUTIONS

C3
(11.00)

POC OFFICE LINE

POST RECEIVED

SEP 11 1946

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrat Organization

Mailing Address

228 Ave F



Swomishka 98290

204

Office Security Considerations

N 7 A

1 MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

| Date Received | Please type or print clearly in ink | Amount | Total |
|---------------|--|--------------------------|-------|
| | a. Anonymous | | |
| | b. Candidate's personal funds deposited in the bank (include candidate loans in 1c) | | |
| | c. Loans, notes, security agreements. Attach Schedule L | | |
| 6/24 | d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation | Report 7/5/24 \$1,000.00 | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | | |

2 CONTRIBUTIONS OVER \$25.00

| 2 CONTRIBUTIONS OVER \$25.00 | | Contributions of \$100 or more: * | | P R I | G E N | Amount | Aggregate Total* |
|--|---|--|----------------|-------------|-------------|---------|---------------------|
| Date Received | Contributor's Name, Address, City, State, Zip | Employer's Name, City and State | Occupation | | | | |
| 6/26 | Kevin Quigley for Congress 2nd dist see attached letter | a refund | | | | \$1000. | 1000 |
| | | | Deposit 7/5/96 | | | | |
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| <input type="checkbox"/> Check here if additional pages are attached | | Sub-total Amount from attached pages | | | | | *See Reverse |

3 TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C-4

| | |
|---------------|------------|
| Weekly report | \$ 1000.00 |
|---------------|------------|

4 Date of Deposit:

7/5/96

I certify that this report is true and complete to the best of my knowledge.

Therapy is Needed



Treasurer's Daytime Telephone No.: (360) 794-1171

Fin

7/5/96

Kevin
QUIGLEY
for US Congress • 2nd District



June 24, 1996

Jim Cummins
Treasurer, 39th District Democrats
P.O. Box 512
Monroe, WA 98272

Dear Jim:

Please find enclosed a refund check for \$1,000. This check represents a refund of a contribution received by our campaign from the 39th District Democrats.

Although the recent publicity surrounding the contribution from the 39th District Democrats is little more than political mudslinging it did cause us to review our books for FEC compliance. In the course of that review we did determine that we had made a technical error in not designating the \$2,000 as: a \$1,000 contribution for the primary election and a \$1,000 contribution for the general election. We had been under the impression that the 39th district was qualified as part of the Washington State Democratic Party, and indeed, your contribution does count against the party's limit, however, under closer review we now understand that the 39th district is subject to different requirements in some regards. As a result we are refunding the \$1,000 which should have been designated for the general election.

Best regards,

Quigley for Congress Campaign

Independent leadership for working families.

Paid for and authorized by Citizens for Kevin Quigley for Congress • Democrat
1029 Springbrook Road, Lake Stevens, WA 98258 • (206) 397-7415





CASH RECEIPTS MONETARY CONTRIBUTIONS

C3
(11/88)

PDC OFFICE USE

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrats Organization

Mailing Address

228 - Ave - F

City
Spokane WA

Zip + 4

99290

Office Sought (candidate)

POST
RECEIVED

SEP 11 1996

1 MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

| Date Received | Please type or print clearly in ink. | Amount | Total |
|---------------|--|--------|-------|
| | a. Anonymous | | |
| | b. Candidate's personal funds deposited in the bank (include candidate loans in 1c) | | |
| | c. Loans, notes, security agreements. Attach Schedule I | | |
| | d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation | | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | | |

2 CONTRIBUTIONS OVER \$25.00

| Date Received | Contributor's Name, Address, City, State, Zip | Contributions of \$100 or more: * Employer's Name, City and State | PRI | GEN | Amount | Aggregate Total |
|---------------|--|--|-----|-----|--------|---------------------------------|
| 7/6/96 | Hugh Meyers VISA 1350 Cedar Ave Marysville WA 98270 | Retired - Occupation | | | 200.00 | 200.00 |
| later | Refunded 7/23/96 per his request | | | | | |
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| | <input type="checkbox"/> Check here if additional pages are attached | Sub-total Amount from attached pages | | | 200.00 | * See Reverse For Details |

3 TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4

4 Date of Deposit

7/10/96

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature

Date

7/12/96

Treasurer's Daytime Telephone No.: (360) 794-1121

CASH RECEIPTS AND EXPENDITURE

SCHEDULE **A**
to C4
(11/88)

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrats Organization

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

| Date of deposit | Amount | Date of deposit | Amount | Date of deposit | Amount | Total deposits |
|-----------------|--------|-----------------|--------|-----------------|--------|----------------|
| 7/17/96 | 122.00 | 7/17/93 | 488.00 | | | |
| 7/17/96 | 393.00 | | | | | \$1003.00 |

2. TOTAL CASH RECEIPTS

Enter also on line 2 of C4

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally needed.

The exceptions are:

- 1) If expenditures are in-kind or in-kind contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE
DEFINITIONS
ON REVERSE

C - Contributions (monetary, in-kind & transfers)
I - Independent Expenditures
L - Literature, Brochures, Printing
B - Broadcast Advertising (Radio, TV)
N - Newspaper and Periodical Advertising
O - Other Advertising (yard signs, buttons, etc.)
V - Voter Signature Gathering

P - Postage, Mailing Permits
S - Surveys and Polls
F - Fundraising Event Expenses
T - Travel, Accommodations, Meals
M - Management/Consulting Services
W - Wages, Salaries, Benefits
G - General Operation and Overhead

3. EXPENDITURES

- a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.
- b) Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.
- c) For each payment to a candidate, campaign worker, PR firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|---|------|--|---------|
| N/A | Expenses of \$50 or less | N/A | N/A | |
| 7/17/96 | Advance to Sarah Hollenback | G | for yard sale | \$50.00 |
| | | | | |
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Total from attached pages _____

4. TOTAL CASH EXPENDITURES

Enter also on line 11 of C4 _____

28043874820

SUMMARY, FULL REPORT RECEIPTS AND EXPENDITURES

C4
(1996)

PDC OFFICE USE

SEP 11 1996

Candidate/Committee Name (Do not abbreviate. Include full name)

39th Legislative District Democrats Organization

Mailing Address

228 - Ave - F Spokane, WA

Zip + 4

98290

Office Sought (Candidates)

Report
Period
Covered

From (last C-4)

7/1/96

To (end of period)

7/19/96

Final Report?

Yes ☐ No ☒

For PACs Only: During this report period, did the committee make an independent expenditure (i.e., an expense not considered a contribution) supporting or opposing a state or local candidate?

*See reverse side.

Yes ☐ No ☐

RECEIPTS

1. Previous total cash and in kind contributions (From line 8, last C-4) (If beginning a new campaign or calendar year, see instruction booklet) Savings + Checking 2138.88
2. Cash received (From line 2, Schedule A) 1003.00
3. In kind contributions received (From line 1, Schedule B) _____
4. Total cash and in kind contributions received this period (Line 2 plus 3) _____
5. Loan principal repayments made (From line 2, Schedule L) (_____)
6. Corrections (From line 1 or 3, Schedule C) _____ Show + or (-) _____
7. Net adjustments this period (Combine line 5 & 6) _____ Show + or (-) _____
8. Total cash and in kind contributions during campaign (Combine lines 1, 4 & 7) _____
9. Total pledge payments due (From line 2, Schedule B)

EXPENDITURES

10. Previous total cash and in kind expenditures (From line 17, last C-4) (If beginning a new campaign or calendar year, see instruction booklet) _____
11. Total cash expenditures (From line 4, Schedule A) _____
12. In kind expenditures (goods & services) (From line 1, Schedule B) 50.00
13. Total cash and in kind expenditures made this period (Line 11 plus line 12) _____
14. Loan principal repayments made (From line 2, Schedule L) (_____)
15. Corrections (From line 2 or 3, Schedule C) _____ Show + or (-) _____
16. Net adjustments this period (Combine lines 14 & 15) _____ Show + or (-) _____
17. Total cash and in kind expenditures during campaign (Combine lines 10, 13 and 16) _____

CANDIDATES ONLY

| | Won | Lost | Unopposed | Name not on ballot |
|------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Primary election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| General election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Treasurer's Daytime Telephone No.:

()

CASH SUMMARY Savings 4060.89 Checking 128.14

18. Cash on hand (Line 8 minus line 17) 4189.03
(Line 18 should equal your bank account balance(s) plus your petty cash balance.)
19. Liabilities: (Sum of loans and debts owed) (0)
20. Balance (Surplus or deficit) (Line 18 minus line 19) 4189.03

CERTIFICATION: I certify that the information herein and on accompanying schedules and attachments is true and correct to the best of my knowledge.

Candidate's Signature

Date

Treasurer's Signature

Date 7/19/96

**SUMMARY, FULL REPORT
RECEIPTS AND EXPENDITURES**

C4
(year)

PDC OFFICE USE

SEP 11 1996

Candidate or Committee Name (Do not abbreviate. Include full name)

39th Legislative District Democrats Organization

Mailing Address

228 - Ave F Snohomish WA

Zip

98290

Office Sought (Candidate)

Report
Period
Covered

From (last C-4)

To (end of period)

Final Report?

7/19/96 - 7/26/96

Yes No

For PACs Only: During this report period, did the committee make an independent expenditure (i.e., an expense not considered a contribution) supporting or opposing a state or local candidate?

*See reverse side.

Yes No ☒

RECEIPTS

1. Previous total cash and in kind contributions (From line 8, last C-4)
(If beginning a new campaign or calendar year, see instruction booklet) 4189.03
2. Cash received (From line 2, Schedule A) _____
3. In kind contributions received (From line 1, Schedule B) _____
4. Total cash and in kind contributions received this period (Line 2 plus 3) 385.00
5. Loan principal repayments made (From line 2, Schedule L) _____ (_____)
6. Corrections (From line 1 or 3, Schedule C) _____ Show + or (-) _____
7. Net adjustments this period (Combine line 5 & 6) _____ Show + or (-) _____
8. Total cash and in kind contributions during campaign (Combine lines 1, 4 & 7) 4574.03
9. Total pledge payments due (From line 2, Schedule B)

EXPENDITURES

10. Previous total cash and in kind expenditures (From line 17, last C-4)
(If beginning a new campaign or calendar year, see instruction booklet) 4189.03
11. Total cash expenditures (From line 4, Schedule A) Refund VISA card 200.00
12. In kind expenditures (goods & services) (From line 1, Schedule B) _____
13. Total cash and in kind expenditures made this period (Line 11 plus line 12) 200.00
14. Loan principal repayments made (From line 2, Schedule L) _____ (_____)
15. Corrections (From line 2 or 3, Schedule C) _____ Show + or (-) _____
16. Net adjustments this period (Combine lines 14 & 15) _____ Show + or (-) _____
17. Total cash and in kind expenditures during campaign (Combine lines 10, 13 and 16) 200.00

CANDIDATES ONLY

| | Won | Lost | Unopposed | Name not on ballot |
|------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Primary election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| General election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Treasurer's Daytime Telephone No.:

()

CASH SUMMARY

18. Cash on hand (Line 8 minus line 17) 4374.03
[Line 18 should equal your bank account balance(s) plus your petty cash balance.]
19. Liabilities: (Sum of loans and debts owed) _____ (_____)
20. Balance (Surplus or deficit) (Line 18 minus line 19) 4374.03

CERTIFICATION: I certify that the information herein and on accompanying schedules and attachments is true and correct to the best of my knowledge.

Candidate's Signature

Date

Treasurer's Signature

Date

[Signature] 7/26/96

CASH RECEIPTS
MONETARY CONTRIBUTIONS

C3
(11/00)

FOO OFFICE 1

POST-ENCLOSURE

SEP 11 1996

Candidate or Demerol Name (Do not abbreviate. Use full name.)

30th Legislative District Democrats Organization

Working Address

228 Ave F ~~Spokaneish~~

On Smokowich 98290 ^{2p.1}

Office Security (continued)

1. MONETARY CONTRIBUTIONS REPORTED IN ACCOUNTS

| Date Received | Please type or print clearly in ink. | Amount | Total |
|---------------|--|--------|--------|
| 5/4/92 | a. Anonymous | | |
| | b. Candidate's personal funds deposited in the bank (include candidate loans in 1c) | | |
| | c. Loans, notes, security agreements. Attach Schedule L | | |
| | d. Miscellaneous receipts (interest, refunds, sections, other) Attach explanation | | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | | |
| | | | 386.18 |

2 CONTRIBUTIONS OVER \$25.00

| 2 CONTRIBUTIONS OVER \$25.00 | | Contributions of \$100 or more: * | P R I | Q E N | Amount | Aggregate Total* |
|---|---|-----------------------------------|-------------|-------------|--|---------------------|
| Date Received | Contributor's Name, Address, City, State, Zip | Employer's Name, City and State | | | | |
| see attached | 7/22/96 - Deposit of Breakfast meeting and various contributions | 5/4/96 | | | 147.00 | - |
| | T-Shirt sales \$10.00 ea | 5/4/96 | | | 30.00 | |
| | Breakfast Mtg 39th Dist Low cost Fund | Small donations mostly \$5.00 | | | 208.00 | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| <input type="checkbox"/> Check here if additional pages are attached | | | | | Sub-total Amount from attached pages 385.00 | *See Reverse |

3 TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4

4 Date of Deposit

Treasurer's Daytime Telephone No.: (360) 794-1171

I certify that this report is true and complete to the best of my knowledge.

THEORY

P

76696



CASH RECEIPTS MONETARY CONTRIBUTIONS

C3
(11/88)

PDC OFFICE USE

POST
MARK
RECEIVED

SEP 11 1996

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrats Organization

Mailing Address

228 - F Ave

Spokane WA 99290

Office Sought (candidate)

1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

| Date Received | Please type or print clearly in ink. | Amount | Total |
|---------------|--|--------|-------|
| | a. Anonymous | | |
| | b. Candidate's personal funds deposited in the bank (include candidate loans in 1c) | | |
| | c. Loans, notes, security agreements. Attach Schedule L | | |
| | d. Miscellaneous receipts (interest, refunds, auctions, other) Attach explanation | | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | | |

2. CONTRIBUTIONS OVER \$25.00

| Date Received | Contributor's Name, Address, City, State, Zip | Contributions of \$100 or more: * Employer's Name, City and State | P R I | Q U E R Y | Amount | Aggregate Total |
|---------------|--|--|-------------|-----------------------|--------|--------------------|
| 8/1/96 | Deposit to savings | 8/2/96 8 | | | 368.41 | |
| | | Occupation | | | | |
| | Deposit to savings | 8/8/96 | | | 155.50 | |
| | | Occupation | | | | |
| | | Occupation | | | | |
| | | Occupation | | | | |
| | | Occupation | | | | |
| | | Occupation | | | | |
| | <input type="checkbox"/> Check here if additional pages are attached | Sub-total Amount from attached pages | | | | |

* See
Reverse
For Details

3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4

368.41

4. Date of Deposit

I certify that this report is true and complete to the best of my knowledge

Treasurer's Daytime Telephone No.

(360) 794-1171

Treasurer's Signature

Jim Lummie 8/8/96

CASH RECEIPTS AND EXPENDITURE

SCHEDULE
to C4

A
(11/88)

Condition of Receipts (Do not alter. Use full name)

39th Legislative District Democrats Organization

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

| Date of deposit | Amount | Date of deposit | Amount | Date of deposit | Amount | Total deposits |
|-----------------|--------|-----------------|--------|-----------------|--------|----------------|
| 8/2/96 | | | | | | |

2. TOTAL CASH RECEIPTS

Enter also on line 2 of C4

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally needed.

The exceptions are:

- 1) If expenditures are in-kind or in-kind contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE
DEFINITIONS
ON REVERSE

C - Contributions (monetary, in-kind & transfers)
I - Independent Expenditures
L - Literature, Brochures, Printing
B - Broadcast Advertising (Radio, TV)
N - Newspaper and Periodical Advertising
O - Other Advertising (yard signs, buttons, etc.)
V - Voter Signature Gathering

P - Postage, Mailing Permits
S - Surveys and Polls
F - Fundraising Event Expenses
T - Travel, Accommodations, Meals
M - Management/Consulting Services
W - Wages, Salaries, Benefits
G - General Operation and Overhead

2. EXPENDITURES

- a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.
- b) Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.
- c) For each payment to a candidate, campaign worker, PR firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|---|------|--|----------------|
| N/A | Expenses of \$50 or less | N/A | N/A | |
| 8/3/96 | Jean Russell Chair 39th Dis | G | phone, postage - etc | 99.97 48.23 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total from attached pages

4. TOTAL CASH EXPENDITURES

Enter also on line 11 of C4

48.23

**CASH RECEIPTS**
MONEY CONTRIBUTIONS

C3
(1 LUG)

PDO OFFICE LINE

REF-DEPT POST

SEP 11 1996

Candidate **Personnel** **Management** (Do not abbreviate, Use full name.)

39th Legislative District Democratic Organization

Mailing Address

228 - F. St.

Spohmish WA 98290

Office Sought (candidate)

1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

| Date Received | Please type or print clearly in ink. | Amount | Total |
|---------------|--|--------|-------|
| | a. Anonymous | | |
| | b. Candidate's personal funds deposited in the bank (Include candidate loans in 1c) | | |
| | c. Loans, notes, security agreements. Attach Schedule L | | |
| | d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation | | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | | |

2. CONTRIBUTIONS OVER \$25.00

| 2. CONTRIBUTIONS OVER \$25.00 | | Contributions of \$100 or more: | | P R I | G E M | Amount | Aggregate Total* |
|---|---|--|------------|-------------|-------------|--------|---------------------|
| Date Received | Contributor's Name, Address, City, State, Zip | Employer's Name, City and State | Occupation | | | | |
| 8/3/96 | 39th Legis Dist Breakfast | Deposit to Savings acct 8/3/96 | | | | 155.80 | |
| | | Deposit to Savings acct 8/9/96 | | | | 190. | |
| | | Occupation | | | | | |
| | | Occupation | | | | | |
| | | Occupation | | | | | |
| | | Occupation | | | | | |
| <input type="checkbox"/> Check here if additional pages are attached | | Sub-total Amount from attached pages | | | | | *See Reverse |

3 TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

Sum of parts 1 and 2 above Enter this amount in line 1, Schedule A (to C4)

4 Date of Deposit:

Transmitter's Daytime Telephone No.: (362) 794-1071

I certify that this report is true and complete to the best of my knowledge

FIGURE 1

Preparer's Signature Jim L. Munn

□

8/9/96

CASH RECEIPTS AND EXPENDITURE

SCHEDULE
to C4

A
(1142)

Complete this schedule only if you are required to file this report.

30th Legislative District Democratic Organization

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

| Date of deposit | Amount | Date of deposit | Amount | Date of deposit | Amount | Total deposits |
|-----------------|--------|-----------------|--------|-----------------|--------|----------------|
| | | | | | | |

2. TOTAL CASH RECEIPTS

Enter also on line 2 of C4

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally needed.

The exceptions are:

- 1) If expenditures are in-kind or in-kind contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE
DEFINITIONS
ON REVERSE

C - Contributions (monetary, in-kind & transfers)
I - Independent Expenditures
L - Literature, Brochures, Printing
B - Broadcast Advertising (Radio, TV)
N - Newspaper and Periodical Advertising
O - Other Advertising (yard signs, buttons, etc.)
V - Voter Signature Gathering

P - Postage, Mailing Permits
S - Surveys and Polls
F - Fundraising Event Expenses
T - Travel, Accommodations, Meals
M - Management/Consulting Services
W - Wages, Salaries, Benefits
G - General Operation and Overhead

3. EXPENDITURES

a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.

b) Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.

c) For each payment to a candidate, campaign worker, PFI firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|---|------|--|--------|
| N/A | Expenses of \$50 or less | N/A | N/A | |
| 8/15/96 | Jack Lobbell (Secretary) | G | Newsletter printing and mailing | 61.22 |
| 8/12/96 | Transferred \$3000 from savings to checking | | | |
| | | | | |
| | | | | |
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| | | | | |
| | | | | |

Total from attached pages

4. TOTAL CASH EXPENDITURES

Enter also on line 11 of C4

8/16/96 Whole Report

CASH RECEIPTS AND EXPENDITURE

SCHEDULE
to C4

A
(m)

39th Legislative District Democratic Organization

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

| Date of deposit | Amount | Date of deposit | Amount | Date of deposit | Amount | Total deposits |
|-----------------|--------|-----------------|--------|-----------------|--------|----------------|
| | | | | | | |

2. TOTAL CASH RECEIPTS

Enter also on line 2 of C4

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally needed.

The exceptions are:

- 1) If expenditures are in-kind or earmarked contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE
DEFINITIONS
ON REVERSE

C - Contributions (monetary, in-kind & transfers)
I - Independent Expenditures
L - Literature, Brochures, Printing
B - Broadcast Advertising (Radio, TV)
N - Newspaper and Periodical Advertising
O - Other Advertising (yard signs, buttons, etc.)
V - Voter Signature Gathering

P - Postage, Mailing Permits
S - Surveys and Polls
F - Fundraising Event Expenses
T - Travel, Accommodations, Meals
M - Management/Consulting Services
W - Wages, Salaries, Benefits
G - General Operation and Overhead

3. EXPENDITURES

- a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.
- b) Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.
- c) For each payment to a candidate, campaign worker, PFI firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|---|------|---|---------|
| N/A | Expenses of \$50 or less | N/A | N/A | |
| 8/22/96 | Transferred to Charles | | \$3000.00 from Savings to | |
| 8/27/96 | Families for South | C | Jeff South Candidate for 39th Dist Sen Rep. | 500.00 |
| 8/27/96 | Rockwell for Legislature | C | Rossene Rockwell Candidate for 39th Dist Rep | 500.00 |
| 8/27/96 | Hans Dunshee Campaign | C | Hans Dunshee Candidate for 39th Dist Rep. | 500.00 |
| 8/27/96 | Patricia Patterson Campaign | C | Patricia Patterson for 39th Dist Senate | 1000.00 |
| 8/29/96 | Postmaster, Monroe LA | G | Postage for 39th Dist Treasure | 12.80 |

Total from attached pages

Enter also on line 11 of C4

4. TOTAL CASH EXPENDITURES

8/23 & 8/30/96 Wiley Report

CASH RECEIPTS AND EXPENDITURE

SCHEDULE
to C4

A
(Type)

Complete or Supplement Form 100 (See instructions) (Use full name)

39 Legislative District Democratic Organization

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

| Date of deposit | Amount | Date of deposit | Amount | Date of deposit | Amount | Total deposits |
|-----------------|--------|-----------------|--------|-----------------|--------|----------------|
| | | | | | | |

2. TOTAL CASH RECEIPTS

Enter also on line 2 of C4

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally needed. The exceptions are:

- 1) If expenditures are in-kind or in-kind contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE
DEFINITIONS
ON REVERSE

C - Contributions (monetary, in-kind & transfers)
I - Independent Expenditures
L - Literature, Brochures, Printing
B - Broadcast Advertising (Radio, TV)
N - Newspaper and Periodical Advertising
O - Other Advertising (yard signs, buttons, etc.)
V - Voter Signature Gathering

P - Postage, Mailing Permits
S - Surveys and Polls
F - Fundraising Event Expenses
T - Travel, Accommodations, Meals
M - Management/Consulting Services
W - Wages, Salaries, Benefits
G - General Operation and Overhead

3. EXPENDITURES

- a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.
- b) Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.
- c) For each payment to a candidate, campaign worker, PR firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|---|------|--|--------|
| N/A | Expenses of \$50 or less | N/A | N/A | |
| | | | | |
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| | | | | |
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| | | | | |
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| | | | | |
| | | | | |
| | | | | |

No expenditures
this period 8/31/96
through 9/16/96

Total from attached pages

4. TOTAL CASH EXPENDITURES

Enter also on line 11 of C4



REGISTRATION:
POLITICAL COMMITTEES

Kurt Young

C1:
(11/93)

POST OFFICE USE
SEP 11 1996

Committee Name (Show entire official name)
39th Legislative District Democratic Organization

Address
228 - F Ave

City
Snodovich WA Snodovich

County
98290

NEW REGISTRATION OR UPDATE OF PRIOR REGISTRATION?

☐ NEW: Complete all items in the registration.

☐ AMENDED: Supply the information below which has changed.

COMMITTEE STATUS
☒ Continuing committee
☐ Election only: election date _____

1. What is the purpose or description of the committee?

☒ Ballot Fide Political Party Committee (official state or county central committee or legislative district committee). If you are not supporting the entire party ticket, attach a list or specify here the names of the candidates you support.

☐ Ballot Committee (Initiative, Bond, Levy, Recall, etc.)
Name or description of ballot measure: _____

☐ Political Action Committee, Political Club or Organization (including party club). If PAC is associated with a business, association, labor union, or similar entity, specify name: _____

☐ Other. Explain on attached sheet.

2. Related or affiliated committees. List name, address and relationship.

3. HOW MUCH DO YOU PLAN TO SPEND DURING THIS ENTIRE ELECTION CAMPAIGN, INCLUDING THE PRIMARY AND GENERAL ELECTION? BASED ON THAT ESTIMATE, CHOOSE ONE OF THE REPORTING OPTIONS BELOW. (If the committee is a continuing organization, estimate spending on a calendar year basis.)

If no box is checked you are obligated to use Full Reporting. See reporting instruction booklets for information about reports required and changing reporting options.

☐ ABBREVIATED REPORTING
We will use the Abbreviated Reporting System. We will raise and spend no more than \$2,000 and will accept no more than \$300 in the aggregate from any one contributor.

☒ FULL REPORTING
We will use the Full Reporting System. We understand this means we must file the frequent, detailed reports required by law.

4. Campaign Manager's or Media Contact's Name and Address

Daytime Telephone Number
(360) 784-1171

5. Treasurer's Name and Address (List deputy treasurers on attached sheet.)

Jim Cummins, PO Box 512, Monroe WA 98272

Daytime Telephone Number
(360) 784-1171

6. Committee's Principal Officers and/or Directors-Members. List name, title, and address. Continue on attached sheet if necessary.

Joann Rossell, Chair, 228 - F Ave Snodovich WA 98290

Steve Hobbs, 1st Vice Chair

Jana Hollenbeck, 3311 Saulty Basin Rd Burtan WA 98294 2nd Vice Chair

Jack Goodell, PO Box 916 Gold Bar WA 98251 Secretary

Jim Cummins, PO Box 512 Monroe WA 98272 Treas

7. Campaign Bank or Depository

Frontier

Branch
Snodovich

Snodovich WA 98290

8. Campaign records are to be open for public inspection the last eight days before the election. (Two hours daily between 9 AM - 5 PM, Monday - Friday.) Show location and hours below.

Street Address (Do not use a Post Office Box Number)
615 Simon Rd Monroe WA 98272

Hours
10 A to Noon

9. Eligibility to give to state office candidates: During the six months prior to making a contribution to a state office candidate, your committee must have received contributions of \$18 or more from at least ten persons registered to vote in Washington State.

☒ A check here indicates your awareness of and pledge to comply with this provision. Absence of a check mark means your committee does not qualify to give to legislative and executive statewide candidates.

10. Signature and Certification. I certify that this statement is true, complete and correct to the best of my knowledge.

Committee Treasurer's Signature
Jim Cummins

Date
1/1/96

Need campaign finance forms and instructions for the reporting system selected?

Please check one of the following boxes:

☐ I already have forms and instructions.

☐ I will get forms and instructions from my county elections office.

☐ I want the Public Disclosure Commission to mail me the proper forms and instructions.



CASH RECEIPTS MONETARY CONTRIBUTIONS

1/1/96 0630/96

C3
(11/88)

PDC OFFICE USE

 MARK
POST
RECEIVED

SEP 11 1996

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democrat Organization

Mailing Address

228 - F Ave

Snohomish WA 98290

Office Sought (candidate)

1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

| Date Received | Please type or print clearly in ink. | Amount | Total |
|---------------|--|--------|-------|
| | a. Anonymous | | |
| | b. Candidate's personal funds deposited in the bank (include candidate loans in 1c) | | |
| | c. Loans, notes, security agreements. Attach Schedule L | | |
| | d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation | | |
| | e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons) | | |

2. CONTRIBUTIONS OVER \$25.00

| Date Received | Contributor's Name, Address, City, State, Zip | Contributions of \$100 or more: * Employer's Name, City and State | P H I | O E N | Amount | Aggregate Total* |
|---------------|---|--|-------------|-------------|-----------|---------------------|
| 2/15/96 | Breakfast Fundraiser, Dues, Books, Record on file. | Various | | | \$ 784.00 | |
| | | Occupation | | | | |
| 3/29/96 | AFSCME, Everett WA 3300 Osborn Everett, WA 98201 | AFSCME/AFU/10 Union 3300 Osborn Union Everett WA | | | 2000.00 | |
| | | Occupation | | | | |
| 3/29/96 | Kerwin Quigley Springbrook Rd Lake Stevens, WA | Kerwin Quigley Evan Funds | | | 3500.00 | |
| | | Occupation | | | | |
| 3/29/96 | Hugh Meyer Snohomish WA 98290 | Hugh Meyer Snohomish WA 98290 | | | 200.00 | |
| | | Occupation | | | | |
| 6/30/96 | Frontier Bank interest on Savings Snohomish | Frontier Bank | | | 28.14 | |
| | | Occupation | | | | |
| | <input type="checkbox"/> Check here if additional pages are attached | Sub-total Amount from attached pages | | | 6514.14 | |

3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT

6514.14

*See
Reverse
For Details

Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4

4. Date of Deposit

I certify that this report is true and complete to the best of my knowledge

Treasurer's Daytime Telephone No.: (360) 794-7171

Treasurer's Signature

Jim [Signature]

SUMMARY, FULL REPORT
RECEIPTS AND EXPENDITURES

C4
(2000)

PDC OFFICE USE

SEP 11 1996

Candidate or Committee Name (Do not abbreviate. Include full name)
39th Legislative District Democratic Organization

Mailing Address
228 - F Ave Snohomish WA 98290

Zip + 4
98290

Office Sought (Candidate)

Report Period Covered
1/1/96

To (end of period)
Jan 30, 1996

Final Report?
Yes ☒ No ☐

For PACs Only: During this report period, did the committee make an independent expenditure (i.e., an expense not considered a contribution) supporting or opposing a state or local candidate?

*See reverse side.

Yes ☐ No ☐

RECEIPTS

1. Previous total cash and in kind contributions (From line 8, last C-4) (If beginning a new campaign or calendar year, see instruction booklet) Savings acct \$2555.78 Checking 294.69 12/5/95 2850.47
2. Cash received (From line 2, Schedule A) 6514.14
3. In kind contributions received (From line 1, Schedule B) 6514.14
4. Total cash and in kind contributions received this period (Line 2 plus 3) 13028.61
5. Loan principal repayments made (From line 2, Schedule L) (0)
6. Corrections (From line 1 or 3, Schedule C) Show + or (-) 0
7. Net adjustments this period (Combine line 5 & 6) Show + or (-) 0
8. Total cash and in kind contributions during campaign (Combine lines 1, 4 & 7) 13028.61
9. Total pledge payments due (From line 2, Schedule B) 0

EXPENDITURES

10. Previous total cash and in kind expenditures (From line 17, last C-4) (If beginning a new campaign or calendar year, see instruction booklet) Savings & Checking 2850.47
11. Total cash expenditures (From line 4, Schedule A) 5737.75
12. In kind expenditures (goods & services) (From line 1, Schedule B) 0
13. Total cash and in kind expenditures made this period (Line 11 plus line 12) 5737.75
14. Loan principal repayments made (From line 2, Schedule L) (0)
15. Corrections (From line 2 or 3, Schedule C) Show + or (-) 0
16. Net adjustments this period (Combine lines 14 & 15) Show + or (-) 0
17. Total cash and in kind expenditures during campaign (Combine lines 10, 13 and 16) 5737.75

CANDIDATES ONLY

| | Won | Lost | Unopposed | Name not on ballot |
|------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Primary election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| General election | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Treasurer's Daytime Telephone No.:

13601794-1171

CASH SUMMARY

18. Cash on hand (Line 8 minus line 17) 3626.86
(Line 18 should equal your bank account balance(s) plus your petty cash balance.)
19. Liabilities: (Sum of loans and debts owed) (0)
20. Balance (Surplus or deficit) (Line 18 minus line 19) 3626.86

CERTIFICATION: I certify that the information herein and on accompanying schedules and attachments is true and correct to the best of my knowledge.

Candidate's Signature

Date

Treasurer's Signature

Date

Jim Dennis

9/19/96

CASH RECEIPTS AND EXPENDITURE

SCHEDULE
to C4

A

P-1

39th Legislative District Democratic Organization

1. CASH RECEIPTS (Contributions) which have been reported on C3. List each deposit made since last C4 report was submitted.

| Date of deposit | Amount | Date of deposit | Amount | Date of deposit | Amount | Total deposits |
|-----------------|--------|-----------------|--------|-----------------|--------|----------------|
| 2/15/96 | 784.00 | | | | | 6514.14 |

2. TOTAL CASH RECEIPTS

Enter also on line 2 of C4

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally needed. The exceptions are:

- 1) If expenditures are listed as contributions to a candidate or committee or independent expenditures that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE
DEFINITIONS
ON REVERSE

C - Contributions (monetary, in-kind & services)
I - Independent Expenditures
L - Literature, Brochures, Printing
B - Broadcast Advertising (Radio, TV)
N - Newspaper and Periodical Advertising
O - Other Advertising (yard signs, buttons, etc.)
V - Voter Signature Gathering

P - Postage, Mailing Permits
S - Surveys and Polls
F - Fundraising Event Expenses
T - Travel, Accommodations, Meals
M - Management/Consulting Services
W - Wages, Salaries, Benefits
G - General Operation and Overhead

3. EXPENDITURES

- Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.
- Itemize each expenditure of more than \$50 by date paid, name and address of vendor, code/description, and amount.
- For each payment to a candidate, campaign worker, PFI firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|--|------|--|--------|
| N/A | Expenses of \$50 or less | N/A | N/A | |
| 1/4/96 | Postmaster | SP | Postage Stamps | 32.00 |
| 1/4/96 | Jocynn Russell Chair 39th Dist Democratic | GP | Expenses - Operations | 6.40 |
| 1/19/96 | Wa State Democrats Chair Association | G | Registration Fee | 30.00 |
| 1/18/96 | Jocynn Russell Chair 39th Dist Democratic | G | Expenses, Operations | 37.16 |
| | | | | |
| | | | | 105.56 |
| | | | | |
| | | | | |

Total from attached pages 5632.19

4. TOTAL CASH EXPENDITURES

Enter also on line 11 of C4 5737.75

EXPENDITURES CONTINUATION SHEET (Attachment to Schedule A)

Page 2

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democratic Organization

Report Date

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|--|------|--|---------|
| 2/3/96 | Joyce Russell Chis 39th Leg Dist Demo | G | operations, phone, etc | 56.15 |
| 2/15/96 | Transfer from savings to checking | | | |
| 2/15/96 | deposit to savings from Dues, Beddie, low cost fund raiser Breakfast. Receipts to | | | 784.00 |
| 2/15/96 | Sultan H.S. Sultan WA 98294 | G | PCO Chucous. | 20.00 |
| 2/15/96 | deposit transfer from savings acct to checking acct. | | | 1200.00 |
| 2/15/96 | Ad spec Auc. | F | Purchase of Books for fundraiser | 465.00 |
| 2/15/96 | Jack Lobdell Sec Gold Bar, WA 98251 | L | Newsletter print + mail | 109.98 |
| 2/16/96 | Entertainment Publ | F | Entertainment Books for Fundraiser | 448.00 |
| 2/7/96 | A/C Bankcard Frontier Bank | G | Bankcard service | 30.00 |
| | Expenses | | | 1124.13 |
| 2/28/96 | Checking Bal. \$270.00 | | | |
| | Savings bal \$2109.78 | | | |
| | Total \$2379.78 | | | |

March 1996

EXPENDITURES CONTINUATION SHEET (Attachment to Schedule A)

Page 3

Candidate or Committee Name (Do not abbreviate. Use full name.)

Report Date

39th Legislative District Democratic Organization

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|--|------|---|------------|
| 3/21/96 | Postmaster | P | Mailing letters etc | 32.00 |
| 3/21/96 | Josh Lobdell Sec Yald Bar WA 98251 | L | Newsletter, Duly with letter | 47.63 |
| 3/21/96 | Joann Russell, chair Snohomish WA 98290 | G | operations; phone, mail, etc | 39.68 |
| 3/21/96 | Entertainment Publ | F | Books for fund raising | 56.00 |
| 3/29/96 | Deposit to savings | | AFSCME/AF4/CD 2000.00 K. Douglas Retired High Mgr 3500.00 from Savings 2000.00 | 5700.00 |
| 3/29/96 | Deposit to checking | | from Savings | 2000.00 |
| 3/29/96 | Kerina Douglas Congress 2nd Dist Congress | C | Kerina Douglas for US Congress 2nd Dist | 2000.00 |
| 3/29/96 | Interest from savings | | \$19.97 | |
| | | | | \$ 2175.31 |
| | Bal Savings | | 5829.75 | |
| | Bal checking | | 94.89 | |
| | | | 5924.64 | |

2175.31

May June — April 1996

EXPENDITURES CONTINUATION SHEET (Attachment to Schedule A)

Page 4

Candidate or Committee Name (Do not abbreviate. Use full name.)

39th Legislative District Democratic Organization

Report Date

4/28

| Date Paid | Vendor or Recipient (Name and Address) | Code | Purpose of Expense and/or Description | Amount |
|-----------|---|------|--|----------|
| 4/20/96 | Bob Smith chair 39th Caucus Snohomish WA | G | 39th Legis Dist Demo Caucus expenses | 141.08 |
| 4/20/96 | Joann Russell chair 39th LD Demo Snohomish | G | Expenses, phone office supplies | 35.68 |
| 4/20/96 | Steve Hobbs, 1st Vice Snohomish WA chair | G | Voter lists | 16.00 |
| 4/22/96 | Transfer from savings to checking | | \$2000.00 | — |
| 4/24/96 | Jack Toddall Sec. Gold Bar WA 98251 | L | Newsletter, Donkey Whistle | 70.12 |
| | April 96 | | Total | 262.88 |
| 5/16/96 | Postmaster | P | Stamps for mailings | 32.00 |
| 5/22/96 | Transfer from savings to checking | | \$2000.00 | — |
| 5/22/96 | Steve Hobbs 1st Vice Snohomish 98290 chair | W | Salary for computerizing Voter lists for 39th | 1700.00 |
| | May 1996 | | | 1732.00 |
| 6/4/96 | Patricia Patterson for 39th Dist Senator Arlington WA | C | Campaign - Patterson for State Senator 39th Dist | 200.00 |
| 6/8/96 | Joann Russell chair Snohomish 98290 | G | Expenses, phone office supplies | 34.91 |
| 6/29/96 | Jack Toddall Sec Gold Bar WA 98251 | L | Newsletter, Donkey Whistle | 102.86 |
| | Balance Savings acct | | \$1857.89 | \$338.87 |
| | Checking acct | | 178.14 | |

(Adopted 3/93) ***

Total

20336.03

Page Total

2332.75

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

DEC 5 11 23 AM '97

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR 4408
Date Complaint filed: July 2, 1996
Date of Notification: July 10, 1996
Date Supplement filed: July 19, 1996
Date of Notification: July 22, 1996
Date Activated: March 5, 1997
Staff Member: Tara D. Meeker

MUR 4409
Date Complaint filed: July 3, 1996
Date of Notification: July 10, 1996
Date Activated: November 27, 1996
Staff Member: Tara D. Meeker

MUR 4443
Date Complaint filed: August 22, 1996
Date of Notification: August 28, 1996
Date Activated: March 5, 1997
Staff Member: Tara D. Meeker

COMPLAINANT
MUR 4408: National Republican Congressional Committee

COMPLAINANT
MURS 4409,4443: Joseph D. Bowen

RESPONDENTS
MURS 4408,4409: Kevin Quigley for Congress and Stephen Dean,
as treasurer¹
Kevin Quigley
39th District Democrats and Clarajean Heirman, as
treasurer²

¹ Stephen Dean is the current treasurer for Kevin Quigley for Congress. At the time the complaint was filed the treasurer was Christine Wakefield.

² Clarajean Heirman is the current treasurer for the 39th District Democrats. At the time the complaint was filed the treasurer was Jim Cummins.

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Citizens for Quigley

RESPONDENTS
MUR 4443:

Kevin Quigley for Congress and Stephen Dean,
as treasurer
Washington Chiropractic Trust and Joel Vranza,
as treasurer
United Psychologists and Charles Maurer, as
treasurer
Fire Services Fund of Washington and J. Pete
Spiller, as treasurer
Washington State Dental Political Action
Committee and Irene Hannaford, as
treasurer
Retail Pharmacy Council Political Action
Committee and Liz Merten, as treasurer
Osteopathic Political Action Committee of
Washington and Kathleen Itter, as
treasurer³
Washington School Administrators and Robert
Kraig, as treasurer⁴
Home Care Political Action Committee and
Donna Cameron, as treasurer

RELEVANT STATUTES
AND REGULATIONS:

2 U.S.C. § 441f
2 U.S.C. § 441b(a)
2 U.S.C. § 441a(f)
2 U.S.C. § 434(b)
2 U.S.C. § 433
11 C.F.R. § 102.5(b)
11 C.F.R. § 110.3(d)
11 C.F.R. § 110.4(b)(iii)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

³ Kathleen Itter is the current treasurer for Osteopathic Political Action Committee of Washington. At the time the complaint was filed the treasurer was listed as Mark Hunt.

⁴ Robert Kraig is the current treasurer of the Washington School Administrators. At the time the complaint was filed, Donna Fountain was listed as treasurer.

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MURS 4408 and 4409 arose as a result of complaints filed by the NRCC and Joseph Bowen, respectively. Both complainants allege that the Quigley State Committee; Kevin Quigley; the 39th District Democrats; and the Quigley Federal Committee violated the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee.

The complaint in MUR 4443 filed by Joseph Bowen alleges that specific contributions listed on Mr. Quigley's second quarter report were accepted in violation of federal election law because they were given by committees that were not federally registered as political committees at the time of the contribution.

II. FACTUAL AND LEGAL ANALYSIS

A. Law

The Federal Election Campaign Act of 1971, as amended ("the Act"), states that it is unlawful for any corporation or labor union to make; or for any candidate, political committee, or other person to knowingly receive; a contribution to a candidate for federal office. 2 U.S.C. § 441b(a). A contribution includes a gift, loan, advance, deposit of money, or anything of value. 2 U.S.C. § 431(8)(A)(i). Each report filed by a political committee shall disclose the identification of each political committee which makes a contribution to the reporting committee. 2 U.S.C. § 434(b).

The FECA generally prohibits contributions in the name of another. The Act states that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 441f. Examples of contributions in the name of another include giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made; and making a contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.

11 C.F.R. § 110.4(b)(2). In addition, no person may knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C. § 441f and

11 C.F.R. § 110.4(b)(1)(iii). This prohibition also applies to any person that provides the money to others to effect contributions in their names, (11 C.F.R. § 110.4(b)(2)), and to incorporated or unincorporated entities who give money to another to effect a contribution made in the other person's name (Advisory Opinion 1986-41).

2 U.S.C. § 431(4)(A) defines a political committee as any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year. All committees shall file a statement of organization within ten days after becoming a political committee within the meaning of section 431(4). 2 U.S.C. § 433. Organizations that are not political committees under the Act shall either establish a separate account into which funds subject to the prohibitions and limitations of the Act shall be deposited and from which contributions, expenditures and exempted payments shall be made; or demonstrate through a reasonable accounting method that whenever such organization makes a contribution, expenditure or exempted

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payment, that organization has received sufficient funds subject to the limitations and prohibitions of the Act to make such contribution, expenditure or payment.

11 C.F.R. § 102.5(b)(1)(i) and (ii). Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited.

11 C.F.R. § 110.3(d). However, a state committee may refund contributions and then coordinate with the federal committee for solicitation of the same contributors by the federal committee, providing the full cost of the solicitation is paid by the federal committee. *Id.*

Advisory Opinion 1996-33 states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution." (emphasis added).

While an individual may volunteer his or her services to a campaign and not have those services count as a contribution, another person may not subsidize the salary of the individual so that the individual can volunteer for the campaign. 2 U.S.C. § 431 (8)(A)(ii) and (8)(B)(i). An organization that pays an individual to volunteer for a political campaign itself makes a contribution to the campaign. See Common Cause and John K. Addy v. FEC, No. 94-02194 and No. 94-02112 (D.D.C., March 29, 1996), *rev'd on other grounds*, Common Cause v. FEC, No. 96-5160 (D.C. Cir., March 21, 1997).

The Act addresses violations of law that are knowing and willful. See,

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2 U.S.C. §§ 437g(a)(5)(C) and 437g(d). The phrase "knowing and willful" indicates that "actions [were] taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976). The knowing and willful standard requires knowledge that one is violating the law. Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F. Supp. 985 (D. N.J. 1986). A knowing and willful violation may be established "by proof that the defendant acted deliberately and with knowledge that the representation was false." United States v. Hopkins, 916 F.2d 207, 214 (5th Cir. 1990). An inference of a knowing and willful violation may be drawn "from the defendants' elaborate scheme for disguising" their actions. Id. at 214-15.

B. Complaints

MUR 4408 arose from a complaint received by the Federal Election Commission ("Commission") on July 2, 1996. The National Republican Congressional Committee, ("NRCC") alleged that Kevin Quigley for Congress and the 39th District Democrats violated provisions of the Federal Election Campaign Act of 1971, as amended, ("Act" or "FECA"). Respondents -- Kevin Quigley for Congress and Stephen Dean, as treasurer ("Quigley Federal Committee"), Kevin Quigley, the 39th District Democrats and Clarajean Heirman, as treasurer ("39th District Democrats"); and the Citizens for Quigley Committee ("Quigley State Committee") -- were notified of the complaint on July 10, 1996. A supplemental complaint was received by the Commission on July 19, 1996. Respondents were notified of the Supplemental Complaint on July 22, 1996 and the Quigley Federal Committee, Kevin Quigley, and the Quigley State Committee answered

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both complaints on August 1, 1996. The 39th District Democrats responded on August 15, 1996.

MUR 4409 arose from a complaint filed on July 3, 1996 Joseph D. Bowen⁵ alleging violations of the FECA against the same respondents in MUR 4408: the Quigley Federal Committee; Kevin Quigley; 39th District Democrats; and the Quigley State Committee. Respondents were notified of the complaint on July 10, 1996 and the Quigley State Committee, Kevin Quigley, and the Quigley Federal Committee responded on August 1, 1996. The 39th District Democrats responded on August 15, 1996.

The Complainants Joseph Bowen and the NRCC, in MURS 4408 and 4409 respectively, claim that the Respondents violated the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee. Both Complainants allege that Mr. Quigley was attempting to accomplish by indirect means what the law directly prohibits and, therefore, this activity might constitute a knowing and willful violation of the Act.

According to the complainants, Senator Quigley donated \$3500 to the 39th District Democrats from his state senate fund, and, at the same meeting, received a \$2000 contribution from the 39th District Democrats for his federal campaign.⁶ The NRCC alleges that "[t]o circumvent bright-line federal election laws, congressional candidate

⁵ Mr. Joseph Bowen was a Democratic candidate in the 1996 primary against Senator Quigley.

⁶ The alleged transfer of state funds to the federal campaign occurred at the March 21, 1996 meeting of the 39th District Democrats. The minutes from the meeting were attached to the response and indicate that Senator Quigley donated the \$3500 early in the meeting and then later during the same meeting received an unanimous non-exclusive endorsement and a \$2000 contribution.

Kevin Quigley and his local party organization knowingly perpetrated a sham transaction and funneled impermissible funds from Quigley's State Committee into his federal campaign coffers. Such blatant money laundering violates both the letter and spirit of federal election laws." Complaint at 1.

The NRCC argues that the fact that Joann Rossall is both the Chairwoman of the 39th District Democrats and the Custodian of Records for the Quigley campaign⁷ provides further support for its allegation that there is a connection between the \$3500 contribution by Senator Quigley to the 39th District Democrats and the "turn-around" \$2000 donation back to his federal campaign. Supplemental Complaint at 2.

According to both complainants, the 39th District Democrats, in addition to serving as a conduit for the \$2000 contributed to Quigley's Federal Committee, also funneled an additional \$1,700 from the State Committee to the Federal Committee by hiring party activist Steve Hobbs⁸, at Senator Quigley's request, at \$1700 a month. The complaint states that Hobbs was hired to compile a computerized database of voter lists and characteristics, a service which Quigley wanted completed. Both the NRCC and Mr. Bowen allege that in essence, hiring Mr. Hobbs was an in-kind contribution. Indeed, Mr. Bowen claims in his complaint that "the work performed by Mr. Hobbs was done at the home of Mr. Quigley and was in fact benefiting the Quigley for Congress campaign." Bowen Complaint at 1. See NRCC Supplemental Complaint at 3. In addition to being

⁷ The complaint also states that "Ms. Rossall herself has personally received \$1171.24 from the campaign's war chest, ostensibly for work done on behalf of the Quigley campaign."

⁸ Mr. Hobbs is also listed on the 39th District Democrats Statement of Organization as the committee's first vice-chair, under the heading "Committee's Principal Officers and/or Decision Makers".

paid by the 39th District Democrats to work on this project, according to complainants, Hobbs volunteered for the Quigley campaign, at the same time he was being paid by the 39th District Democrats. Id.

MUR 4443 arose from a second complaint filed by Joseph Bowen on August 22, 1996, alleging that the respondents -- the Quigley Federal Committee; Washington Chiropractic Trust and Joel Vrana, as treasurer; United Psychologists Political Action Committee and Charles Maurer, as treasurer; Fire Services Fund of Washington and J. Pete Spiller, as treasurer; Washington State Dental Political Action Committee and Irene Hannaford, as treasurer; Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer; Osteopathic Political Action Committee of Washington and Kathleen Iiter, as treasurer; Washington School Administrators and Robert Kraig, as treasurer; and the Home Care Political Action Committee and Donna Cameron, as treasurer-- violated provisions of the FECA. The respondents were notified of the complaint on August 28, 1996. Fire Services Fund of Washington and J. Pete Spiller, as treasurer, responded to the complaint on October 7, 1996. Washington School Administrators and Robert Kraig, as treasurer, responded on October 8, 1996. Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer and Home Care Political Action Committee and Donna Cameron, as treasurer, responded on September 16, 1996. United Psychologists Political Action Committee and Charles Maurer, as treasurer; Washington State Dental Political Action Committee and Irene Hannaford, as treasurer and Osteopathic Political Action Committee of Washington and

0 3 0 4 3 8 7 4 8 4 5

Kathleen Itter, as treasurer, responded on September 23, 1996. Washington Chiropractic Trust and Joel Vrana, as treasurer, did not respond to the complaint.

The complaint in MUR 4443 alleges that several organizations which made contributions listed on Mr. Quigley's second quarter report should have registered as federal political committees.

C. Responses

1. **Kevin Quigley for Congress and Stephen Dean, as treasurer**
Kevin Quigley
39th District Democrats and Clarajean Heirman, as treasurer
Citizens for Quigley

According to the Quigley respondents, "the evidence is overwhelming that no FEC violations have occurred which were not corrected prior to the filing of the above complaints." Attachment 2 at 1. The Quigley respondents admit that they inadvertently accepted an excessive contribution from the 39th District Democrats, due to the failure to properly designate \$1000 for the primary election and \$1000 of the \$2000 cash contribution for the general election. They further claim that the allegation of accepting this excessive contribution is moot because the excessive amount (\$1000) was returned "promptly". Response at 4. See Attachment 5.

As to the allegation of transferring impermissible funds from the Quigley State Committee to the Quigley Federal Committee through the 39th District Democrat Organization, the respondents claim that the state committee's \$3500 contribution was specifically set aside for the purpose of hiring a district organizer to create a computerized database. Respondents also refer to the March 21, 1996 minutes of the 39th

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District Democrats meeting and note that "Senator Quigley pledged the \$3,500 exclusively to hire a district organizer to complete the Voter ID Project." *Id.* Later at this same meeting, Senator Quigley asked for and received an endorsement from the 39th District Democrats. He then made a request for a \$2000 contribution from the group, but, according to the response, "[a]t no time in the meeting was Senator Quigley's contribution to the Voter ID Project tied to his request for an endorsement and a contribution." Response at 2.

In his own affidavit, Senator Quigley states that he never "tied the contribution from my State Senate Campaign fund to complete the voter identification database to my request for a contribution from the 39th District for my Congressional Campaign. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly." Attachment 1 at 3. Respondents attached thirteen affidavits⁹ to support this position and note that the handwritten minutes of both meetings demonstrate that the two contributions were never discussed together, "and that there was a long gap between the discussions and several intervening motions and reports." Response at 3.

⁹ Included with the response were affidavits from Kevin Quigley; Joann Rossall, chair of the 39th District Democrats; Jeff Soth, Mayor of Snohomish; Steve Hobbs, the selected organizer for the Voter ID Project; Stephen Dean, treasurer of the Quigley for Congress campaign; and several people who were in attendance at the March 21 meeting, including: Jack Lobdell; Patricia Patterson; Hugh Meyers; Lawrence Kuney; Robert Guild; Bob Craven; Kathy Conrad; and Dennis Ingram. However, neither Jack Lobdell nor Dennis Ingram are listed on the sign-in sheet from the March 21 meeting, although the minutes from the meeting are signed J.J.L., which indicates that perhaps Jack Lobdell was present.

In a separate letter responding to MUR 4443 specifically, the Quigley Federal Committee claims that it "scrupulously" complied with the provisions of 11 C.F.R. § 102.5(b)(1)(ii) by making certain that each group limited its contribution to \$1,000 or less. Furthermore, each organization was required by the campaign to submit a signed statement verifying that on the date of the contribution, there were ample funds in the organization's account which were permissible under federal law (not from corporations, foreign national, etc.). Attachment 4 at 1.

2. **Fire Services Fund of Washington and J. Pete Spiller, as treasurer
Washington School Administrators and Robert Kraig, as treasurer¹⁰
Retail Pharmacy Council Political Action Committee and Liz
Merten, as treasurer
Home Care Political Action Committee and Donna Cameron, as
treasurer
United Psychologists Political Action Committee and Charles Maurer,
as treasurer
Washington State Dental Political Action Committee and Irene
Hannaford, as treasurer
Osteopathic Political Action Committee of Washington and Kathleen
Itter, as treasurer**

Each of the above respondents to MUR 4443 answered the complaint stating that there had been no violation of federal election laws.¹¹ The respondents claim that they were advised by the candidate, prior to making their contributions, that:

federal law permits non-federally registered groups to make contributions to candidates for federal office providing the contributions by the PAC do not exceed \$1,000 in any calendar year and that the group can demonstrate the money was contributed to the PAC in federally-permissible funds (no corporate checks, no labor treasury funds, individual contributions under \$1,000)

¹⁰ Washington School Administrators is federally registered as a political action committee.

¹¹ The only respondent to MUR 4443 who did not answer the complaint was Washington Chiropractic Trust and Joel Vrarina, as treasurer.

United Psychologists Political Action Committee Response at 1. The respondents each state that their contribution to the Quigley Federal Committee was the only contribution made to a federal candidate in 1996, that nearly all of their funds were from individual contributions and that their balance on hand was significantly higher than the contribution amount. Respondents Washington School Administrators, Fire Services Fund of Washington and Osteopathic Political Action Committee of Washington specifically mention in their response that they have registered their contribution with the Washington State Public Disclosure Commission.

D. Analysis

1. Contributions given in the name of the 39th District Democrats to the Quigley Federal Committee, both directly and in-kind

After a long history of permitting state campaign committees to transfer funds to federal campaign committees, the Commission adopted a regulation, 11 C.F.R. § 110.3(d), in 1993 banning all such transfers, due to concern over "the indirect use of impermissible funds in federal elections." Explanation and Justification, Transfers of Funds From State to Federal Campaigns, 58 Fed. Reg. 3474-75 (January 8, 1993). In the past, the Commission has concluded that such activity is not permissible. Advisory Opinion 1996-33 further states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution " (emphasis added). Many states impose fewer restrictions on contributions to campaigns for state elective offices. If transferred to a

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federal candidate, these funds would exceed FECA limits or would include funds prohibited under the FECA. For example, the state of Washington permits contributions from both corporations and labor unions. R.C.W. § 42.17.640(14).

Although the Commission has received conflicting information about the events at issue, it does appear that Kevin Quigley and his State Committee may have tried to achieve indirectly what can no longer be done directly. It appears that using the 39th District Democrats as a conduit, money from the Quigley State Committee was given directly to the Quigley Federal Committee. There is no dispute about the fact that Quigley's State Committee contributed \$3,500 to the 39th District Democrats. Nor is there any dispute that the 39th District Democrats made a \$2,000 contribution to Quigley's Federal Committee on the same day. All of the information obtained to date also confirms that the 39th District Democrats hired Steve Hobbs to do a Voter ID Project on the same day.

The question remains whether the \$3,500 given to the 39th District Democrats was actually contributed to the Quigley Federal Committee through a cash contribution, payment for services benefiting the Federal Committee, or both. There may also be other expenses and contributions from the 39th District Democrats to the Quigley Federal Committee that this Office is unaware of at this time. Attached to the complaint in MUR 4409 is an affidavit from Randy Gray, a Bowen supporter who attended the March 21st meeting of the 39th District Democrats. Mr. Gray claims that at that meeting Senator Quigley presented the 39th District Democrats with \$3500, stating explicitly that he wanted the 39th District Democrats to use a portion of it to hire Steve Hobbs and to use

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\$2000 of it as a donation to his congressional campaign: "After receiving assurances from Quigley that this was all legal, we approved a motion to both accept the gift and make the donation." Attachment 1 at 1.¹²

In contrast, affidavits submitted by the respondents state that Senator Quigley directed the \$3500 contribution to be used exclusively to hire a district organizer to work on the Voter ID Project, and that the matter of the \$2000 donation to the Quigley Federal Committee was discussed separately during different parts of the meeting. Attachment 1 at 3-18. Questions raised by the inconsistencies between the Gray affidavit and those affidavits submitted by the respondents, as well as the proximity of the timing of these transactions, would appear to make further inquiry into these events appropriate.

However, even if the affidavits provided in support of the respondents are accurate, the Quigley State Committee may still have made a prohibited transfer of funds to the Federal Committee. As previously stated, there is no dispute that at the March 21, 1996 meeting of the 39th District Democrats Steve Hobbs was hired to begin work in April 1996 on a voter identification list. In addition, all the affidavits appear to agree that Quigley intended at least a portion of the State Committee's contribution to fund the

¹² Mr. Gray also alleges that Senator Quigley told the 39th District Democrats at this meeting that they would be receiving more unsolicited cash donations, which should be distributed to the candidate whom the donor had endorsed. Mr. Gray stated that Quigley specifically cited the example of organized labor. After receiving State Campaign Finance Reports from the Washington Public Disclosure Commission, this Office has discovered that a contribution was made by the AFSCME to the 39th District Democrats in the amount of \$2000. This labor contribution was given the same day as the contribution from Senator Quigley's state committee. See Attachment 6 at 1. It appears that there may have been a plan put together by Quigley in which the 39th District Democrats were to be used as a conduit in more than this one instance. This Office is making no recommendation at this time to include the AFSCME as a respondent in this matter.

Voter ID Project. Mr. Hobbs was eventually paid a total of \$3300 to complete the Voter ID Project.¹³

The information provided raises questions whether this project, having been funded by the State Committee's contribution, was conducted principally, if not entirely, to benefit Quigley's Federal Committee. The Voter ID Project involved compiling information on the characteristics (pro-life, pro-choice, etc.) of over 22,000 identified Republican, Democrat and special interest voters and creating a single working database. Information was gathered from a number of sources, such as walking lists created by the doorbelling efforts of previous campaigns in the 39th district, including Senator Quigley's 1992 State Senate election. It took Steve Hobbs at least forty hours a week for two months to complete the project:

The process of creating the Voter ID Database involved the process of taking thousands of entries from hard copies of annotated walking lists and entering each one in a new database. The process was complicated by the fact that precinct boundaries had changed and this required more data search and data entry time. Approximately twenty-two thousand special entries were cataloged on the Voter ID Database.

Response at 3.

In his response, Senator Quigley asserts that "[t]he Voter ID Project is primarily a tool for door-to-door canvassing which is not a substantial element of a Congressional or other federal campaign." Response at 4. However, other information received suggests that the work Mr. Hobbs performed on the project was done at the request of Senator

¹³ Mr. Hobbs received one check, #649 in the amount of \$1600.00 from the 39th District Democrats dated April 20, 1996 and another, #652 for \$1700.00 from the same organization dated May 22, 1996.

Quigley and was run out of Senator Quigley's home. In addition, there is also a question whether during some of the time for which the 39th District Democrats were paying for work on the Voter ID Project, Mr. Hobbs was actually doing work on Mr. Quigley's federal campaign. In his affidavit, Mr. Gray claims to have arrived for what he understood to be a work party of the 39th District Democrats on the Voter ID Project, but says that when he arrived the only work being done was on the Quigley campaign.

Attachment 1 at 2.

The fact that Mr. Hobbs volunteered directly for the Quigley campaign at the same time he was being paid to organize the Voter ID Project further confuses the issue of the extent to which the 39th District Democrats may have been paying Mr. Hobbs with money from the Quigley State Committee to perform work that benefited Quigley's Federal Committee. Checks from the 39th District Democrats for the Voter ID Project are dated for the months of April and May 1996. The Kevin Quigley for Congress itemized disbursements report shows payments made to Mr. Hobbs for "volunteer reimbursement" and "volunteer activity" on April 16, May 12 and May 28 of 1996.¹⁴

The method by which money appears to have been contributed in the name of another also suggests that there may have been a deliberate scheme to circumvent the prohibition on a direct transfer of funds, thus establishing reason to believe that any violations resulting were knowing and willful. The knowing and willful standard requires knowledge that one is violating the law. Federal Election Commission v. John A.

¹⁴ The April 16 reimbursement was for \$150.95 and was itemized on schedule B for Kevin Quigley for Congress as a volunteer reimbursement, copying and postage. The May 12 reimbursement was for \$82.00 and was listed as volunteer reimbursement. The May 28 reimbursement was for \$126.78 and was listed as volunteer activity.

Dramesi for Congress Committee, 640 F. Supp. 985 (D. N.J. 1986). A knowing and willful violation may be established "by proof that the defendant acted deliberately . . ." United States v. Hopkins, 916 F.2d 207, 214 (5th Cir. 1990). An inference of a knowing and willful violation may be drawn "from the defendants' elaborate scheme for disguising" their actions. *Id.* at 214-15. The 39th District Democrats allowed their name to be used with apparent knowledge that the \$3500 would be given to the Quigley Federal Committee. When considering the timing of the two transactions and the events which took place at the March 21, 1996 meeting, it appears that the donation from the Quigley State Committee to the 39th District Democrats and in turn the donation from the 39th District Democrats to the Quigley Federal Committee were part and parcel of the same transaction.

2. Recommendations for MURS 4408 and 4409

Based on all the information set forth above, this Office recommends that the Commission find reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, may have knowingly and willfully violated 2 U.S.C. § 441f by accepting a contribution made by one person in the name of another person; may have knowingly and willfully violated 2 U.S.C. § 441b(a) for accepting contributions from the Quigley State Committee, which may have included funds received from corporations and/or labor unions; and may have knowingly and willfully violated 2 U.S.C. § 434(b) for failing to properly report contributions received by the State Committee.

Furthermore, this Office recommends that the Commission find reason to believe that Citizens for Quigley may have knowingly and willfully violated 2 U.S.C. § 441f by

making a contribution in the name of another; and may have knowingly and willfully violated 2 U.S.C. § 441b(a) for making a contribution from funds which may have included contributions received from labor organization and/or corporations. This Office further recommends that the Commission find reason to believe that the 39th District Democrats and Clarajean Heirman, as treasurer, may have knowingly and willfully violated 2 U.S.C. § 441f by permitting its name to be used to effect a contribution in the name of another.

Because it appears that the candidate may have personally been involved in the activities described above, this Office recommends that the Commission find reason to believe that Kevin Quigley may have knowingly and willfully violated 2 U.S.C. § 441(b) for participating in a scheme that resulted in the prohibited transfer of funds that were commingled with corporate contributions from his State committee to his Federal Committee; and may have knowingly and willfully violated 2 U.S.C. § 441f by knowingly assisting in the making of contributions in the name of another.

3. MUR 4443, contributions from state committees not in excess of \$1000

The complaint in MUR 4443 filed by Joseph Bowen alleges that specific contributions listed on Mr. Quigley's second quarter report were accepted in violation of federal election law because they were given by committees that were not federally registered as political committees at the time of the contribution.

| DATE | POLITICAL ACTION COMMITTEE | AMOUNT |
|----------------|-------------------------------------|---------|
| April 17, 1996 | Washington Chiropractic Trust | \$1,000 |
| April 29, 1996 | Washington School Administrators | \$500 |

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| | | |
|---------------|--|---------|
| May 5, 1996 | United Psychologists | \$1,000 |
| May 9, 1996 | Fire Services Fund of Washington | \$500 |
| May 15, 1996 | Washington State Dental | \$650 |
| May 15, 1996 | Home Care Political Action Committee | \$250 |
| June 3, 1996 | Retail Pharmacy Council | \$200 |
| June 18, 1996 | Osteopathic Political Action Committee of Washington | \$250 |

MUR 4443 Complaint at 1.

2 U.S.C. § 431(4) defines a political committee as one "which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year." Because the expenditures did not exceed \$1,000, the respondents are not required to register with the Commission. 11 C.F.R. § 102.5(b) places an affirmative duty on organizations which are not political committees under the Act. Committees which do not qualify as political committees but wish to make a contribution or expenditure in federal elections must either establish a separate account to which only funds subject to the prohibitions and limitations of the Act shall be deposited and from which contributions, expenditures and exempted payments shall be made; or demonstrate through a reasonable accounting method that whenever such organization makes a contribution, expenditure or exempted payment, that organization has received sufficient funds subject to the limitations and prohibitions of the Act to make such contribution, expenditure or payment.

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The respondents to MUR 4443¹⁵ provided information verifying that their balances on hand were greater than the amount of the contribution, and that the contribution consisted of funds permissible under federal law.

Respondents Washington State Dental Political Action Committee and Washington School Administrators state that they made their contributions to the Quigley Federal Committee knowing that it would be offset by the refund of a prior contribution to the Quigley State Committee.¹⁶ Attached to their response is a letter from the Quigley Federal Committee detailing how state political action committees would be able to donate to his federal committee. See Attachment 3. Pursuant to 11 C.F.R. § 110.3(d) this appears to be permissible.

Based on the responses and affidavits to MUR 4443, there is no indication that the respondents, with the two exceptions noted below, have violated the Act. Each of these committees donated \$1000 or less to the Quigley Federal Committee from federally permissible funds. Nor are any of these committees reported to have made contributions to any other federal candidates. Because these committees did not trigger the definition of a political committee under 2 U.S.C. § 431(4)(A), there was no requirement that they register under 2 U.S.C. § 433.

Accordingly this Office recommends that the Commission find no reason to believe that United Psychologists Political Action Committee and Charles Maurer, as treasurer; Fire Services Fund of Washington and J. Pete Spiller, as treasurer; Washington

¹⁵ With the exception of Washington Chiropractic Trust and Joel Vranza, as treasurer, who did not respond to the complaint in MUR 4443.

¹⁶ In their response, the Washington State Administrators state that Mr. Quigley did in fact refund their prior \$500.00 contribution on June 14, 1996.

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State Dental Political Action Committee and Irene Hannaford, as treasurer; Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer; Osteopathic Political Action Committee of Washington and Kathleen Itter, as treasurer; Washington School Administrators and Robert Kraig, as treasurer; and the Home Care Political Action Committee and Donna Cameron, as treasurer, respondents to MUR 4443, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(b). Nor was there any requirement for any of these respondents to register as a federal committee.

However, Washington Chiropractic Trust and Joel Vranna, as treasurer, did not respond to the complaint and therefore there is no basis to know whether the organization had an adequate amount of money on hand from permissible funds, which the committee has an affirmative duty to prove under 11 C.F.R. § 102.5(b). This is particularly important in a state such as Washington which permits corporate contributions.

Because the reported contribution from Washington Chiropractic Trust was \$1,000 and because there are no other reported federal contributions by this entity, there does not appear to have been any requirement that this respondent register as a political committee. However, because there is insufficient information from Washington Chiropractic Trust and Joel Vranna, as treasurer, to determine whether there were sufficient permissible funds, this Office recommends that the Commission find reason to believe that these two respondents violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(b), but take no further action and send an admonishment letter.

This Office also recommends that the Commission find reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, violated 2 U.S.C. § 441b by

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accepting a contribution from funds which may have included contributions received from labor organizations and/or corporations, but take no further action with respect to this violation.

This Office further recommends closing the file in MUR 4443.

III. DISCOVERY

Further investigation is necessary to determine the extent, if any, to which contributions were given which violate the Act. The investigation will inquire into communications between the Quigley Federal Committee, the Quigley State Committee and the 39th District Democrats regarding any attempts to evade the limits and prohibitions of the FECA. To expedite the investigation, this Office recommends that the Commission approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers.

This Office also seeks the authority to depose Kevin Quigley, Steve Hobbs, and Randy Gray. If it becomes necessary after further investigation, this Office may also need to depose some of the individuals who provided affidavits in support of the response to the complaint. To save time, we ask that the Commission grant this Office the authority to depose all of these individuals: Joann Rossall, Clarence Hairman, Stephen Dean, Jack Lobdell, Joseph Bowen, Jeff Soth, Patricia Patterson, Hugh Meyers, Lawrence Kuney, Robert Guild, Bob Craven, Kathy Conrad, and Dennis Ingram. However, this Office will first attempt to contact these individuals informally.

IV. RECOMMENDATIONS

1. Find reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, respondents in MURS 4408 and 4409, knowingly and willfully violated: 2 U.S.C. §§ 441f, 434(b) and 441b(e).

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2. Find reason to believe that Citizens for Quigley, respondents in MURS 4408 and 4409, knowingly and willfully violated: 2 U.S.C. §§ 441f and 441b(a).
3. Find reason to believe that the 39th District Democrats and Clarajean Heirman, as treasurer, respondents in MURS 4408 and 4409, knowingly and willfully violated 2 U.S.C. § 441f.
4. Find reason to believe that Kevin Quigley knowingly and willfully violated: 2 U.S.C. §§ 441b and 441f.
5. Find no reason to believe that the following respondents in MUR 4443 violated the Federal Election Campaign Act.
 - a. United Psychologists Political Action Committee and Charles Maurer, as treasurer
 - b. Fire Services Fund of Washington and J. Pete Spilier, as treasurer
 - c. Washington State Dental Political Action Committee and Irene Hannaford, as treasurer
 - d. Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer
 - e. Osteopathic Political Action Committee of Washington and Kathleen Iiter, as treasurer
 - f. Washington School Administrators and Robert Kraig, as treasurer
 - g. Home Care Political Action Committee and Donna Cameron, as treasurer
6. Find reason to believe that Washington Chiropractic Trust and Joel Vrana, as treasurer, respondents in MUR 4443, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(b), but take no further action.
7. Find no reason to believe that Washington Chiropractic Trust and Joel Vrana, as treasurer, respondents in MUR 4443, violated 2 U.S.C. § 433.
8. Find reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, respondents in MUR 4443, violated 2 U.S.C. § 441b, but take no further action.
9. Approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers to
 - a. Kevin Quigley for Congress and Stephen Dean, as treasurer
 - b. Citizens for Quigley
 - c. 39th District Democrats and Clarajean Heirman, as treasurer
10. Approve the Subpoenas for Deposition and Documents to:

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- a. Kevin Quigley
- b. Randy Gray
- c. Steve Hobbs
- d. Joann Rossall
- e. Clarajean Heirman
- f. Stephen Dean
- g. Jack Lobdell
- h. Joseph Bowen
- i. Jeff Soth
- j. Patricia Patterson
- k. Hugh Meyers
- l. Lawrence Kuney
- m. Robert Guild
- n. Bob Craven
- o. Kathy Conrad
- p. Dennis Ingram


- 11. Approve the attached Factual and Legal Analyses.
- 12. Approve the appropriate letters.
- 13. Close the file in MUR 4443.

Lawrence M. Noble
General Counsel

Date

12/3/97

BY:


Lois G. Lerner
Associate General Counsel

Attachments:

- 1. Affidavits
- 2. Response cover letter from Quigley for US Congress
- 3. Campaign letter from Quigley Federal Committee
- 4. Quigley Federal Committee contribution form
- 5. Letter from Quigley to 39th District Democrats
- 6. Washington State Public Disclosure Reports

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7. Factual and Legal Analyses for Kevin Quigley for Congress and Stephen Dean, as treasurer; Citizens for Quigley; Kevin Quigley and the 39th District Democrats and Clarajean Heirman, as treasurer.
8. Subpoena To Produce Documents and Order to Submit Written Answers to Kevin Quigley for Congress and Stephen Dean, as treasurer; Citizens for Quigley; and the 39th District Democrats and Clarajean Heirman, as treasurer.
9. Sample Deposition Subpoena
10. Factual and Legal Analyses for:
 - a. United Psychologists Political Action Committee and Charles Maurer, as treasurer
 - b. Fire Services Fund of Washington and J. Pete Spiller, as treasurer
 - c. Washington State Dental Political Action Committee and Irene Hannaford, as treasurer
 - d. Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer
 - e. Osteopathic Political Action Committee of Washington and Kathleen Itter, as treasurer
 - f. Washington School Administrators and Robert Kraig, as treasurer
 - g. Home Care Political Action Committee and Donna Cameron, as treasurer
 - h. Washington Chiropractic Trust and Joel Vranna, as treasurer
11. Minutes from the March 21, 1996 meeting of the 39th District Democrats

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/Veneshe Ferebee-Vines
COMMISSION SECRETARY

DATE: DECEMBER 9, 1997

SUBJECT: MURs 4408, 4409, 4443 - First General Counsel's Report

The above-captioned document was circulated to the Commission
on Thursday, December 04, 1997.

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

| | |
|-----------------------|-----|
| Commissioner Aikens | — |
| Commissioner Elliott | XXX |
| Commissioner McDonald | XXX |
| Commissioner McGarry | — |
| Commissioner Thomas | XXX |

This matter will be placed on the meeting agenda for

Tuesday, January 06, 1998

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MURs 4408, 4409
) and 4443
Kevin Quigley for Congress and)
Stephen Dean, as treasurer, et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on January 13, 1998, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions with respect to MURs 4408, 4409, and 4443:

1. Find reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, respondents in MURS 4408 and 4409, violated 2 U.S.C. §§ 441f, 434(b) and 441b(a).
2. Find reason to believe that Citizens for Quigley, respondents in MURS 4408 and 4409, violated 2 U.S.C. §§ 441f and 441b(a).
3. Find reason to believe that the 39th District Democrats and Clarajean Heirman, as treasurer, respondents in MURS 4408 and 4409, violated 2 U.S.C. §441f.
4. Find reason to believe that Kevin Quigley violated 2 U.S.C. § 441b and 441f.

(continued)

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Federal Election Commission
Certification: MURS 4408, 4409,
AND 4443
January 13, 1998

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5. Find no reason to believe that the following respondents in MUR 4443 violated the Federal Election Campaign Act:
- a. United Psychologists Political Action Committee and Charles Maurer, as treasurer.
 - b. Fire Services Fund of Washington and J. Pete Spiller, as treasurer.
 - c. Washington State Dental Political Action Committee and Irene Hannaford, as treasurer.
 - d. Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer.
 - e. Osteopathic Political Action Committee of Washington and Kathleen Itter, as treasurer.
 - f. Washington School Administrators and Robert Kraig, as treasurer.
 - g. Home Care Political Action Committee and Donna Cameron, as treasurer.
6. Find reason to believe that Washington Chiropractic Trust and Joel Vranna, as treasurer, respondents in MUR 4443, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(b), but take no further action.
7. Find no reason to believe that Washington Chiropractic Trust and Joel Vranna, as treasurer, respondents in MUR 4443, violated 2 U.S.C. § 433.
8. Find reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, respondents in MUR 4443, violated 2 U.S.C. § 441b, but take no further action.

(continued)

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Federal Election Commission
Certification: MURS 4408, 4409,
AND 4443
January 13, 1998

Page 3

9. Approve the Factual and Legal Analyses recommended in the General Counsel's December 3, 1997 report
10. Send appropriate letters which would include appropriate admonishment language.
11. Take no further action and close the files in MURS 4408, 4409, and 4443.

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

Attest:

1-13-98
Date

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



FEDERAL ELECTION COMMISSION
Washington, DC 20463

January 22, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Joseph D. Bowen
307 S. 1st Street
Mount Vernon, WA 98273-3804

RE: **MUR 4409**
Kevin Quigley for Congress and Stephen Dean,
as treasurer
Kevin Quigley
39th District Democrats and Clarajean
Heirman, as treasurer
Citizens for Quigley
MUR 4443
Kevin Quigley for Congress and Stephen Dean,
as treasurer
Washington Chiropractic Trust and Joel
Vranna, as treasurer
United Psychologists and Charles Maurer, as
treasurer
Fire Services Fund of Washington and J.
Pete Spiller, as treasurer
Washington State Dental Political Action
Committee and Irene Hannaford, as
treasurer
Retail Pharmacy Council Political Action
Committee and Liz Merten, as
treasurer
Osteopathic Political Action Committee of
Washington and Kathleen Itter, as
treasurer
Washington School Administrators and
Robert Kraig, as treasurer

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Mr. Joseph Bowen
MURs 4409, 4443
Page 2

Home Care Political Action Committee and
Donna Cameron, as treasurer

Dear Mr. Bowen:

This is in reference to the complaints you filed with the Federal Election Commission on July 3, 1996 and August 22, 1996, concerning the above named respondents.

Based on your first complaint, designated as MUR 4409, on January 13, 1998, the Commission found that there was reason to believe Kevin Quigley for Congress and Stephen Dean, as treasurer, violated 2 U.S.C. §§ 441f, 434(b) and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission further found reason to believe the 39th District Democrats violated 2 U.S.C. § 441f of the Act, reason to believe that Kevin Quigley violated 2 U.S.C. §§ 441b and 441f of the Act and reason to believe that Citizens for Quigley violated 2 U.S.C. §§ 441f and 441b(a) of the Act. The General Counsel's Report, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission decided not to investigate these matters further. A Statement of Reasons explaining the Commission's decision will follow.

At the same time, the Commission admonished the Kevin Quigley for Congress Committee that the acceptance of \$2,000 from the 39th District Democrats appears to be a violation of 2 U.S.C. § 441f, accepting contributions which may have included funds received from corporations and/or labor unions is a violation of 2 U.S.C. § 441b(a) and the failure to properly report contributions received is a violation of 2 U.S.C. § 434(b). In addition, the Commission admonished the 39th District Democrats that making a contribution in the name of another to a candidate for a federal election, from funds which may have included contributions received from labor organizations and/or corporations, is a violation of 2 U.S.C. § 441f.

The Commission further admonished Kevin Quigley that making or receiving a contribution in the name of another, from funds which may have included contributions received from labor organizations and/or corporations, is a violation of 2 U.S.C. §§ 441f and 441b(a). Citizens for Quigley was admonished that making a contribution in the name of another to a candidate for a federal election, from funds which may have included contributions received from labor organizations and/or corporations, is a violation of 2 U.S.C. §§ 441f and 441b(a).

Based on your second complaint, designated as MUR 4443, on January 13, 1998, the Commission found that there was reason to believe Kevin Quigley for Congress and Stephen Dean, as treasurer, violated 2 U.S.C. § 441b and reason to believe Washington Chiropractic Trust and Joel Vrana, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(b). The Commission found no reason to believe that the following respondents to MUR 4443 violated the Federal Election Act: United Psychologists and Charles Maurer, as treasurer; Fire Services Fund of Washington and J. Pete Spiller, as treasurer; Washington State Dental Political Action

Mr. Joseph Bowen
MURs 4409, 4443
Page 3

Committee and Irene Hannaford, as treasurer, Retail Pharmacy Council Political Action Committee and Liz Merten, as treasurer, Osteopathic Political Action Committee of Washington and Kathleen Itter, as treasurer, Washington School Administrators and Robert Kraig, as treasurer, Home Care Political Action Committee and Donna Cameron, as treasurer. The enclosed General Counsel's Report also explains the Commission's decision in MUR 4443.

This matter will become part of the public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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

Sincerely,


Tara D. Meeker
Attorney

Enclosures
General Counsel's Report
Certification

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

January 22, 1998

Clarajean Heirman, Treasurer
39th District Democrats
228 Avenue E
Snohomish, WA 98290

RE: MURs 4408, 4409
39th District Democrats

Dear Ms. Heirman:

On January 13, 1998, the Federal Election Commission found reason to believe that the 39th District Democrats ("Committee") and you, as treasurer, violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act.") The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission decided not to investigate these matters further. A Statement of Reasons explaining the Commission's decision will follow.

The Commission reminds you that making a contribution in the name of another to a candidate for a federal election, from funds which may have included contributions received from labor organizations and/or corporations, is a violation of 2 U.S.C. § 441f. You should take steps to ensure that this activity does not occur in the future.

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

If you have any questions, please contact Tara Meeker, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: 39th District Democrats and MURS: 4408, 4409
Clarajean Heirman, as treasurer

This matter was generated by complaints filed with the Federal Election Commission by the NRCC and Joseph Bowen. See 2 U.S.C. § 437g(a)(1).

The Federal Election Campaign Act of 1971, as amended ("the Act"), states that it is unlawful for any corporation or labor union to make; or for any candidate, political committee, or other person to knowingly receive; a contribution to a candidate for federal office. 2 U.S.C. § 441b(a). A contribution includes a gift, loan, advance, deposit of money, or anything of value. 2 U.S.C. § 431(8)(A)(i). Each report filed by a political committee shall disclose the identification of each political committee which makes a contribution to the reporting committee. 2 U.S.C. § 434(b).

The FECA generally prohibits contributions in the name of another. The Act states that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. Examples of contributions in the name of another include giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made; and making a

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contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.

11 C.F.R. § 110.4(b)(2).

Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited. 11 C.F.R. § 110.3(d). However, a state committee may refund contributions and then coordinate with the federal committee for solicitation of the same contributors by the federal committee, providing the full cost of the solicitation is paid by the federal committee. *Id.*

Advisory Opinion 1996-33 states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [i]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution." (emphasis added).

While an individual may volunteer his or her services to a campaign and not have those services count as a contribution, another person may not subsidize the salary of the individual so that the individual can volunteer for the campaign. 2 U.S.C. § 431 (8)(A)(ii) and (8)(B)(i). An organization that pays an individual to volunteer for a political campaign itself makes a contribution to the campaign. See Common Cause and John K. Addy v. FEC, No. 94-02194 and No. 94-02112 (D.D.C., March 29, 1996), *rev'd on other grounds*, Common Cause v. FEC, No. 96-5160 (D.C. Cir., March 21, 1997).

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MUR 4408 arose from a complaint received by the Federal Election Commission ("Commission") on July 2, 1996. The National Republican Congressional Committee, ("NRCC") alleged that the 39th District Democrats violated provisions of the Federal Election Campaign Act of 1971, as amended, ("Act" or "FECA"). Respondents 39th District Democrats and Clarajean Heirman, as treasurer ("39th District Democrats"), were notified of the complaint on July 10, 1996. A supplemental complaint was received by the Commission on July 19, 1996. Respondents were notified of the Supplemental Complaint on July 22, 1996 and the 39th District Democrats responded on August 15, 1996.

MUR 4409 arose from a complaint filed on July 3, 1996 Joseph D. Bowen¹ alleging violations of the FECA against the 39th District Democrats and Clarajean Heirman, as treasurer. Respondents were notified of the complaint on July 10, 1996 and the 39th District Democrats responded on August 15, 1996.

The Complainants Joseph Bowen and the NRCC, in MURS 4408 and 4409 respectively, claim that the respondents violated the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee. Both Complainants allege that the 39th District Democrats were attempting to accomplish by indirect means what the law directly prohibits.

According to the complainants, Senator Quigley donated \$3500 to the 39th District Democrats from his state senate fund, and, at the same meeting, received a \$2000

¹ Mr. Joseph Bowen was a Democratic candidate in the 1996 primary against Senator Quigley.

contribution from the 39th District Democrats for his federal campaign.² The NRCC alleges that "[t]o circumvent bright-line federal election laws, congressional candidate Kevin Quigley and his local party organization knowingly perpetrated a sham transaction and funneled impermissible funds from Quigley's state committee into his federal campaign coffers. Such blatant money laundering violates both the letter and spirit of federal election laws." Complaint at 1.

The NRCC argues that the fact that Joann Rossall is both the Chairwoman of the 39th District Democrats and the Custodian of Records for the Quigley campaign³ provides further support for its allegation that there is a connection between the \$3500 contribution by Senator Quigley to the 39th District Democrats and the "turn-around" \$2000 donation back to his federal campaign. Supplemental Complaint at 2.

According to both complainants, the 39th District Democrats, in addition to serving as a conduit for the \$2000 contributed to Quigley's Federal Committee, also funneled an additional \$1,700 from the State Committee to the Federal Committee by hiring party activist Steve Hobbs⁴, at Senator Quigley's request, at \$1700 a month. The complaint states that Hobbs was hired to compile a computerized database of voter lists

² The alleged transfer of state funds to the federal campaign occurred at the March 21, 1996 meeting of the 39th District Democrats. The minutes from the meeting were attached to the response and indicate that Senator Quigley donated the \$3500 early in the meeting and then later during the same meeting received an unanimous non-exclusive endorsement and a \$2000 contribution.

³ The complaint also states that "Ms. Rossall herself has personally received \$1171.24 from the campaign's war chest, ostensibly for work done on behalf of the Quigley campaign."

⁴ Mr. Hobbs is also listed on the 39th District Democrats Statement of Organization as the committee's first vice-chair, under the heading "Committee's Principal Officers and/or Decision Makers".

and characteristics, a service which Quigley wanted completed. Both the NRCC and Mr. Bowen allege that in essence, hiring Mr. Hobbs was an in-kind contribution. Indeed, Mr. Bowen claims in his complaint that "the work performed by Mr. Hobbs was done at the home of Mr. Quigley and was in fact benefiting the Quigley for Congress campaign." Bowen Complaint at 1. In addition to being paid by the 39th District Democrats to work on this project, according to complainants, Hobbs volunteered for the Quigley campaign, at the same time he was being paid by the 39th District Democrats. *Id.*

According to the March 21, 1996 minutes of the 39th District Democrats meeting, "Senator Quigley pledged the \$3,500 exclusively to hire a district organizer to complete the Voter ID Project." Later at this same meeting, Senator Quigley asked for and received an endorsement from the 39th District Democrats. He then made a request for a \$2000 contribution from the group.

After a long history of permitting state campaign committees to transfer funds to federal campaign committees, the Commission adopted a regulation in 1993, 11 C.F.R. § 110.3(d), banning all such transfers due to concern over "the indirect use of impermissible funds in federal elections." Explanation and Justification, Transfers of Funds From State to Federal Campaigns, 58 Fed. Reg. 3474-75 (January 8, 1993). In the past, the Commission has concluded that such activity is not permissible. Advisory Opinion 1996-33 further states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another

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for the purpose of making a contribution." (emphasis added). Many states impose fewer restrictions on contributions to campaigns for state elective offices. If transferred to a federal candidate, these funds would exceed FECA limits or would include funds prohibited under the FECA. For example, the state of Washington permits contributions from both corporations and labor unions. R.C.W. § 42.17.640(14).

Although the Commission has received conflicting information about the events at issue, it does appear that the Quigley committees and the 39th District Democrats may have tried to achieve indirectly what can no longer be done directly. It appears that using the 39th District Democrats as a conduit, money from the Quigley State Committee was given directly to the Quigley Federal Committee. There is no dispute about the fact that Quigley's State Committee contributed \$3,500 to the 39th District Democrats. Nor is there any dispute that the 39th District Democrats made a \$2,000 contribution to Quigley's Federal Committee on the same day. All of the information obtained to date also confirms that the 39th District Democrats hired Steve Hobbs to do a Voter ID Project on the same day.

The question remains whether the \$3,500 given to the 39th District Democrats was actually contributed to the Quigley Federal Committee through a cash contribution, payment for services benefiting the Federal Committee, or both. There may also be other expenses and contributions from the 39th District Democrats to the Quigley Federal Committee that this Office is unaware of at this time. An affidavit in the Commission's possession states that at the March 21st meeting of the 39th District Democrats Senator Quigley presented the 39th District Democrats with \$3500, stating explicitly that he

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wanted the 39th District Democrats to use a portion of it to hire Steve Hobbs and to use \$2000 of it as a donation to his congressional campaign.

In contrast, other affidavits submitted to the Commission state that Senator Quigley directed the \$3500 contribution to be used exclusively to hire a district organizer to work on the Voter ID Project, and that the matter of the \$2000 donation to the Quigley Federal Committee was discussed separately during different parts of the meeting. Questions raised by the inconsistencies between these affidavits, as well as the proximity of the timing of these transactions, would appear to make further inquiry into these events appropriate.

However, even if the affidavits provided in support of the respondent are accurate, the Quigley State Committee may still have made a prohibited transfer of funds to the Federal Committee. As previously stated, there is no dispute that at the March 21, 1996 meeting of the 39th District Democrats Steve Hobbs was hired to begin work in April 1996 on a voter identification list. In addition, all the affidavits appear to agree that Quigley intended at least a portion of the State Committee's contribution to fund the Voter ID Project. Mr. Hobbs was eventually paid a total of \$3300 to complete the Voter ID Project.⁵

The information provided raises questions whether this project, having been funded by the State Committee's contribution, was conducted principally, if not entirely, to benefit Quigley's Federal Committee. The Voter ID Project involved compiling

⁵ Mr. Hobbs received one check, #649 in the amount of \$1600.00 from the 39th District Democrats dated April 20, 1996 and another, #652 for \$1700.00 from the same organization dated May 22, 1996.

information on the characteristics (pro-life, pro-choice, etc.) of over 22,000 identified Republican, Democrat and special interest voters and creating a single working database. Information was gathered from a number of sources, such as walking lists created by the doorbelling efforts of previous campaigns in the 39th district, including Senator Quigley's 1992 State Senate election. It took Steve Hobbs at least forty hours a week for two months to complete the project:

The process of creating the Voter ID Database involved the process of taking thousands of entries from hard copies of annotated walking lists and entering each one in a new database. The process was complicated by the fact that precinct boundaries had changed and this required more data search and data entry time. Approximately twenty-two thousand special entries were cataloged on the Voter ID Database.

Senator Quigley asserts that "[t]he Voter ID Project is primarily a tool for door-to-door canvassing which is not a substantial element of a Congressional or other federal campaign." Response at 4. However, other information received suggests that the work Mr. Hobbs performed on the project was done at the request of Senator Quigley and was run out of Senator Quigley's home. In addition, there is also a question whether during some of the time for which the 39th District Democrats were paying for work on the Voter ID Project, Mr. Hobbs was actually doing work on Mr. Quigley's federal campaign. Information in the Commission's possession states that upon arriving for what was understood to be a work party of the 39th District Democrats on the Voter ID Project, the only work being done was on the Quigley campaign.

The fact that Mr. Hobbs volunteered directly for the Quigley campaign at the same time he was being paid to organize the Voter ID Project further confuses the issue of the extent to which the 39th District Democrats may have been paying Mr. Hobbs with

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money from the Quigley State Committee to perform work that benefited Quigley's Federal Committee. Checks from the 39th District Democrats for the Voter ID Project are dated for the months of April and May 1996. The Kevin Quigley for Congress itemized disbursements report shows payments made to Mr. Hobbs for "volunteer reimbursement" and "volunteer activity" on April 16, May 12 and May 28 of 1996.⁶

The method by which money appears to have been contributed in the name of another also suggests that there may have been a deliberate scheme to circumvent the prohibition on a direct transfer of funds. The 39th District Democrats allowed their name to be used with apparent knowledge that the \$3500 would be given to the Quigley Federal Committee. When considering the timing of the two transactions and the events which took place at the March 21, 1996 meeting, it appears that the donation from the Quigley State Committee to the 39th District Democrats and in turn the donation from the 39th District Democrats to the Quigley Federal Committee were part and parcel of the same transaction.

Accordingly, there is reason to believe that 39th District Democrats and Clarajean Heirman, as treasurer, violated 2 U.S.C. § 441f by permitting its name to be used to effect a contribution in the name of another.

⁶ The April 16 reimbursement was for \$150.95 and was itemized on schedule B for Kevin Quigley for Congress as a volunteer reimbursement, copying and postage. The May 12 reimbursement was for \$82.00 and was listed as volunteer reimbursement. The May 28 reimbursement was for \$126.78 and was listed as volunteer activity.



FEDERAL ELECTION COMMISSION
Washington, DC 20463

January 22, 1998

Kevin Quigley
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MURs 4408, 4409
Kevin Quigley

Dear Mr. Quigley:

On January 13, 1998, the Federal Election Commission found reason to believe that you violated 2 U.S.C. §§ 441f and 441b, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act.") The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission decided not to investigate these matters further. A Statement of Reasons explaining the Commission's decision will follow.

The Commission reminds you that making or receiving a contribution in the name of another, from funds which may have included contributions received from labor organizations and/or corporations, is a violation of 2 U.S.C. §§ 441f and 441b(a). You should take steps to ensure that this activity does not occur in the future.

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

If you have any questions, please contact Tara Meeker, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Kevin Quigley

MURS: 4408, 4409

This matter was generated by complaints filed with the Federal Election Commission by the NRCC and Joseph Bowen. See 2 U.S.C. § 437g(a)(1).

The Federal Election Campaign Act of 1971, as amended ("the Act"), states that it is unlawful for any corporation or labor union to make; or for any candidate, political committee, or other person to knowingly receive; a contribution to a candidate for federal office. 2 U.S.C. § 441b(a). A contribution includes a gift, loan, advance, deposit of money, or anything of value. 2 U.S.C. § 431(8)(A)(i). Each report filed by a political committee shall disclose the identification of each political committee which makes a contribution to the reporting committee. 2 U.S.C. § 434(b).

The FECA generally prohibits contributions in the name of another. The Act states that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. Examples of contributions in the name of another include giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made; and making a

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contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.

11 C.F.R. § 110.4(b)(2).

Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited. 11 C.F.R. § 110.3(d). However, a state committee may refund contributions and then coordinate with the federal committee for solicitation of the same contributors by the federal committee, providing the full cost of the solicitation is paid by the federal committee. *Id.*

Advisory Opinion 1996-33 states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution." (emphasis added).

While an individual may volunteer his or her services to a campaign and not have those services count as a contribution, another person may not subsidize the salary of the individual so that the individual can volunteer for the campaign. 2 U.S.C. § 431 (8)(A)(ii) and (8)(B)(i). An organization that pays an individual to volunteer for a political campaign itself makes a contribution to the campaign. See Common Cause and John K. Addy v. FEC, No. 94-02194 and No. 94-02112 (D.D.C., March 29, 1996), *rev'd on other grounds*, Common Cause v. FEC, No. 96-5160 (D.C. Cir., March 21, 1997).

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MUR 4408 arose from a complaint received by the Federal Election Commission ("Commission") on July 2, 1996. The National Republican Congressional Committee, ("NRCC") alleged that Kevin Quigley violated provisions of the Federal Election Campaign Act of 1971, as amended, ("Act" or "FECA"). The respondent was notified of the complaint on July 10, 1996. A supplemental complaint was received by the Commission on July 19, 1996. Respondent was notified of the Supplemental Complaint on July 22, 1996 and Kevin Quigley answered both complaints on August 1, 1996.

MUR 4409 arose from a complaint filed on July 3, 1996 Joseph D. Bowen¹ alleging violations of the FECA against the Kevin Quigley. Respondent was notified of the complaint on July 10, 1996 and the responded on August 1, 1996.

The Complainants Joseph Bowen and the NRCC, in MURS 4408 and 4409 respectively, claim that the respondent violated the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee. Both Complainants allege that Kevin Quigley was attempting to accomplish by indirect means what the law directly prohibits.

According to the complainants, Senator Quigley donated \$3500 to the 39th District Democrats from his state senate fund, and, at the same meeting, received a \$2000 contribution from the 39th District Democrats for his federal campaign.² The NRCC

¹ Mr. Joseph Bowen was a Democratic candidate in the 1996 primary against Senator Quigley.

² The alleged transfer of state funds to the federal campaign occurred at the March 21, 1996 meeting of the 39th District Democrats. The minutes from the meeting were attached to the response and indicate that Senator Quigley donated the \$3500 early in the meeting and then later during the same meeting received an unanimous non-exclusive endorsement and a \$2000 contribution.

alleges that "[t]o circumvent bright-line federal election laws, congressional candidate Kevin Quigley and his local party organization knowingly perpetrated a sham transaction and funneled impermissible funds from Quigley's State Committee into his federal campaign coffers. Such blatant money laundering violates both the letter and spirit of federal election laws." Complaint at 1.

The NRCC argues that the fact that Joann Rossall is both the Chairwoman of the 39th District Democrats and the Custodian of Records for the Quigley campaign³ provides further support for its allegation that there is a connection between the \$3500 contribution by Senator Quigley to the 39th District Democrats and the "turn-around" \$2000 donation back to his federal campaign. Supplemental Complaint at 2.

According to both complainants, the 39th District Democrats, in addition to serving as a conduit for the \$2000 contributed to Quigley's Federal Committee, also funneled an additional \$1,700 from the State Committee to the Federal Committee by hiring party activist Steve Hobbs⁴, at Senator Quigley's request, at \$1700 a month. The complaint states that Hobbs was hired to compile a computerized database of voter lists and characteristics, a service which Quigley wanted completed. Both the NRCC and Mr. Bowen allege that in essence, hiring Mr. Hobbs was an in-kind contribution. Indeed, Mr. Bowen claims in his complaint that "the work performed by Mr. Hobbs was done at the home of Mr. Quigley and was in fact benefiting the Quigley for Congress campaign."

³ The complaint also states that "Ms. Rossall herself has personally received \$1171.24 from the campaign's war chest, ostensibly for work done on behalf of the Quigley campaign."

⁴ Mr. Hobbs is also listed on the 39th District Democrats Statement of Organization as the committee's first vice-chair, under the heading "Committee's Principal Officers and/or Decision Makers"

Bowen Complaint at 1. In addition to being paid by the 39th District Democrats to work on this project, according to complainants, Hobbs volunteered for the Quigley campaign, at the same time he was being paid by the 39th District Democrats. *Id.*

As to the allegation of transferring impermissible funds from the Quigley State Committee to the Quigley Federal Committee through the 39th District Democrat Organization, respondent claims that the state committee's \$3500 contribution was specifically set aside for the purpose of hiring a district organizer to create a computerized database. Respondent also refers to the March 21, 1996 minutes of the 39th District Democrats meeting and notes that "Senator Quigley pledged the \$3,500 exclusively to hire a district organizer to complete the Voter ID Project." Later at this same meeting, Senator Quigley asked for and received an endorsement from the 39th District Democrats. He then made a request for a \$2000 contribution from the group, but, according to the response, "[a]t no time in the meeting was Senator Quigley's contribution to the Voter ID Project tied to his request for an endorsement and a contribution." Response at 2.

In his own affidavit, Senator Quigley states that he never "tied the contribution from my State Senate Campaign fund to complete the voter identification database to my request for a contribution from the 39th District for my Congressional Campaign. The two matters were discussed separately during different parts of the meeting and were never linked together either directly or indirectly." Attachment 1 at 3. Respondents attached thirteen affidavits⁴ to support this position and note that the handwritten minutes

⁴ Included with the response were affidavits from Kevin Quigley, Joann Rossall, chair of the 39th District Democrats, Jeff Soth, Mayor of Snohomish, Steve Hobbs, the

of both meetings demonstrate that the two contributions were never discussed together, "and that there was a long gap between the discussions and several intervening motions and reports." Response at 3.

After a long history of permitting state campaign committees to transfer funds to federal campaign committees, the Commission adopted a regulation in 1993, 11 C.F.R. § 110.3(d), banning all such transfers due to concern over "the indirect use of impermissible funds in federal elections." Explanation and Justification, Transfers of Funds From State to Federal Campaigns, 58 Fed. Reg. 3474-75 (January 8, 1993). In the past, the Commission has concluded that such activity is not permissible. Advisory Opinion 1996-33 further states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution." (emphasis added). Many states impose fewer restrictions on contributions to campaigns for state elective offices. If transferred to a federal candidate, these funds would exceed FECA limits or would include funds prohibited under the FECA. For example, the state of Washington permits contributions from both corporations and labor unions. R.C.W. § 42.17.640(14).

selected organizer for the Voter ID Project, Stephen Dean, treasurer of the Quigley for Congress campaign; and several people who were in attendance at the March 21 meeting, including: Jack Lobdell; Patricia Patterson; Hugh Meyers; Lawrence Kuney; Robert Guild; Bob Craven; Kathy Conrad; and Dennis Ingram. However, neither Jack Lobdell nor Dennis Ingram are listed on the sign-in sheet from the March 21 meeting, although the minutes from the meeting are signed J J L., which indicates that perhaps Jack Lobdell was present.

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Although the Commission has received conflicting information about the events at issue, it does appear that Kevin Quigley may have tried to achieve indirectly what can no longer be done directly. It appears that using the 39th District Democrats as a conduit, money from the Quigley State Committee was given directly to the Quigley Federal Committee. There is no dispute about the fact that Quigley's State Committee contributed \$3,500 to the 39th District Democrats. Nor is there any dispute that the 39th District Democrats made a \$2,000 contribution to Quigley's Federal Committee on the same day. All of the information obtained to date also confirms that the 39th District Democrats hired Steve Hobbs to do a Voter ID Project on the same day.

The question remains whether the \$3,500 given to the 39th District Democrats was actually contributed to the Quigley Federal Committee through a cash contribution, payment for services benefiting the Federal Committee, or both. There may also be other expenses and contributions from the 39th District Democrats to the Quigley Federal Committee that this Office is unaware of at this time. An affidavit in the Commission's possession states that at the March 21st meeting of the 39th District Democrats Senator Quigley presented the 39th District Democrats with \$3,500, stating explicitly that he wanted the 39th District Democrats to use a portion of it to hire Steve Hobbs and to use \$2,000 of it as a donation to his congressional campaign. "After receiving assurances from Quigley that this was all legal, we approved a motion to both accept the gift and make the donation."

In contrast, affidavits submitted by the respondent state that Quigley directed the \$3,500 contribution to be used exclusively to hire a district organizer to work on the Voter

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ID Project, and that the matter of the \$2000 donation to the Quigley Federal Committee was discussed separately during different parts of the meeting. Questions raised by the inconsistencies between these affidavits, as well as the proximity of the timing of these transactions, would appear to make further inquiry into these events appropriate.

However, even if the affidavits provided in support of the respondent are accurate, the Quigley State Committee may still have made a prohibited transfer of funds to the Federal Committee. As previously stated, there is no dispute that at the March 21, 1996 meeting of the 39th District Democrats Steve Hobbs was hired to begin work in April 1996 on a voter identification list. In addition, all the affidavits appear to agree that Quigley intended at least a portion of the State Committee's contribution to fund the Voter ID Project. Mr. Hobbs was eventually paid a total of \$3300 to complete the Voter ID Project.⁶

The information provided raises questions whether this project, having been funded by the State Committee's contribution, was conducted principally, if not entirely, to benefit Quigley's Federal Committee. The Voter ID Project involved compiling information on the characteristics (pro-life, pro-choice, etc.) of over 22,000 identified Republican, Democrat and special interest voters and creating a single working database. Information was gathered from a number of sources, such as walking lists created by the doorbelling efforts of previous campaigns in the 39th district, including Senator

⁶ Mr. Hobbs received one check, #649 in the amount of \$1600.00 from the 39th District Democrats dated April 20, 1996 and another, #652 for \$1700.00 from the same organization dated May 22, 1996.

Quigley's 1992 State Senate election. It took Steve Hobbs at least forty hours a week for two months to complete the project:

The process of creating the Voter ID Database involved the process of taking thousands of entries from hard copies of annotated walking lists and entering each one in a new database. The process was complicated by the fact that precinct boundaries had changed and this required more data search and data entry time. Approximately twenty-two thousand special entries were cataloged on the Voter ID Database.

Response at 3.

In his response Kevin Quigley asserts that "[t]he Voter ID Project is primarily a tool for door-to-door canvassing which is not a substantial element of a Congressional or other federal campaign." Response at 4. However, other information received suggests that the work Mr. Hobbs performed on the project was done at the request of Kevin Quigley and was run out of Kevin Quigley's home. In addition, there is also a question whether during some of the time for which the 39th District Democrats were paying for work on the Voter ID Project, Mr. Hobbs was actually doing work on Mr. Quigley's federal campaign. Information in the Commission's possession states that upon arriving for what was understood to be a work party of the 39th District Democrats on the Voter ID Project, the only work being done was on the Quigley campaign.

The fact that Mr. Hobbs volunteered directly for the Quigley campaign at the same time he was being paid to organize the Voter ID Project further confuses the issue of the extent to which the 39th District Democrats may have been paying Mr. Hobbs with money from the Quigley State Committee to perform work that benefited Quigley's Federal Committee. Checks from the 39th District Democrats for the Voter ID Project are dated for the months of April and May 1996. The Kevin Quigley for Congress

itemized disbursements report shows payments made to Mr. Hobbs for "volunteer reimbursement" and "volunteer activity" on April 16, May 12 and May 28 of 1996.⁷

The method by which money appears to have been contributed in the name of another also suggests that there may have been a deliberate scheme to circumvent the prohibition on a direct transfer of funds. The 39th District Democrats allowed their name to be used with apparent knowledge that the \$3500 would be given to the Quigley Federal Committee. When considering the timing of the two transactions and the events which took place at the March 21, 1996 meeting, it appears that the donation from the Quigley State Committee to the 39th District Democrats and in turn the donation from the 39th District Democrats to the Quigley Federal Committee were part and parcel of the same transaction.

Because it appears that the candidate may have personally been involved in the activities described above, this Office recommends that the Commission find reason to believe that Kevin Quigley violated 2 U.S.C. §§ 441b and 441f for participating in a scheme that resulted in the prohibited transfer of funds that were commingled with corporate contributions from his State committee to his Federal Committee.

⁷ The April 16 reimbursement was for \$150.95 and was itemized on schedule B for Kevin Quigley for Congress as a volunteer reimbursement, copying and postage. The May 12 reimbursement was for \$82.00 and was listed as volunteer reimbursement. The May 28 reimbursement was for \$126.78 and was listed as volunteer activity.



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Stephen Dean, Treasurer
Kevin Quigley for Congress
1029 Springbrook Road
Lake Stevens, WA 98258

January 22, 1998

RE: MURs 4408, 4409, 4443
Kevin Quigley for Congress

Dear Mr. Dean:

On January 13, 1998, the Federal Election Commission found reason to believe that Kevin Quigley for Congress ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 441f, 434(b), 441b and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act.") The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission decided not to investigate these matters further. A Statement of Reasons explaining the Commission's decision will follow.

The Commission reminds you that the acceptance of \$2,000 from the 39th District Democrats appears to be a violation of 2 U.S.C. § 441f, accepting contributions which may have included funds received from corporations and/or labor unions is a violation of 2 U.S.C. § 441b(a) and the failure to properly report contributions received is a violation of 2 U.S.C. § 434(b). You should take steps to ensure that this activity does not occur in the future.

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

If you have any questions, please contact Tara Meeker, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosure
Factual and Legal Analysis

cc: candidate

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RESPONDENT: Kevin Quigley for Congress Committee MURS: 4408, 4409
and Stephen Dean, as treasurer 4443

This matter was generated by complaints filed with the Federal Election Commission by the NRCC and Joseph Bowen. See 2 U.S.C. § 437g(a)(1).

The Federal Election Campaign Act of 1971, as amended ("the Act"), states that it is unlawful for any corporation or labor union to make; or for any candidate, political committee, or other person to knowingly receive; a contribution to a candidate for federal office. 2 U.S.C. § 441b(a). A contribution includes a gift, loan, advance, deposit of money, or anything of value. 2 U.S.C. § 431(8)(A)(i). Each report filed by a political committee shall disclose the identification of each political committee which makes a contribution to the reporting committee. 2 U.S.C. § 434(b).

The FECA generally prohibits contributions in the name of another. The Act states that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

2 U.S.C. § 441f. Examples of contributions in the name of another include giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made; and making a

contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.

11 C.F.R. § 110.4(b)(2).

Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited. 11 C.F.R. § 110.3(d). However, a state committee may refund contributions and then coordinate with the federal committee for solicitation of the same contributors by the federal committee, providing the full cost of the solicitation is paid by the federal committee. *Id.*

Advisory Opinion 1996-33 states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [i]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution." (emphasis added).

While an individual may volunteer his or her services to a campaign and not have those services count as a contribution, another person may not subsidize the salary of the individual so that the individual can volunteer for the campaign. 2 U.S.C. § 431 (8)(A)(ii) and (8)(B)(i). An organization that pays an individual to volunteer for a political campaign itself makes a contribution to the campaign. See Common Cause and John K. Addy v. FEC, No. 94-02194 and No. 94-02112 (D.D.C., March 29, 1996), *rev'd on other grounds*, Common Cause v. FEC, No. 96-5160 (D.C. Cir., March 21, 1997).

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MUR 4408 arose from a complaint received by the Federal Election Commission ("Commission") on July 2, 1996. The National Republican Congressional Committee, ("NRCC") alleged that Kevin Quigley for Congress violated provisions of the Federal Election Campaign Act of 1971, as amended, ("Act" or "FECA"). Respondents Kevin Quigley for Congress and Stephen Dean, as treasurer ("Quigley Federal Committee") were notified of the complaint on July 10, 1996. A supplemental complaint was received by the Commission on July 19, 1996. Respondents were notified of the Supplemental Complaint on July 22, 1996 and the Quigley Federal Committee answered both complaints on August 1, 1996.

MUR 4409 arose from a complaint filed on July 3, 1996 Joseph D. Bowen¹ alleging violations of the FECA against the Quigley Federal Committee. Respondents were notified of the complaint on July 10, 1996 and the Quigley Federal Committee responded on August 1, 1996.

The Complainants Joseph Bowen and the NRCC, in MURS 4408 and 4409 respectively, claim that the Respondents violated the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee. Both Complainants allege that the Federal Committee was attempting to accomplish by indirect means what the law directly prohibits.

According to the complainants, Senator Quigley donated \$3500 to the 39th District Democrats from his state senate fund, and, at the same meeting, received a \$2000

¹ Mr. Joseph Bowen was a Democratic candidate in the 1996 primary against Senator Quigley.

contribution from the 39th District Democrats for his federal campaign.² The NRCC alleges that "[t]o circumvent bright-line federal election laws, congressional candidate Kevin Quigley and his local party organization knowingly perpetrated a sham transaction and funneled impermissible funds from Quigley's state committee into his federal campaign coffers. Such blatant money laundering violates both the letter and spirit of federal election laws." Complaint at 1.

The NRCC argues that the fact that Joann Rossall is both the Chairwoman of the 39th District Democrats and the Custodian of Records for the Quigley campaign³ provides further support for its allegation that there is a connection between the \$3500 contribution by Senator Quigley to the 39th District Democrats and the "turn-around" \$2000 donation back to his federal campaign. Supplemental Complaint at 2.

According to both complainants, the 39th District Democrats, in addition to serving as a conduit for the \$2000 contributed to Quigley's federal committee, also funneled an additional \$1,700 from the state committee to the federal committee by hiring party activist Steve Hobbs⁴, at Senator Quigley's request, at \$1700 a month. The complaint states that Hobbs was hired to compile a computerized database of voter lists

² The alleged transfer of state funds to the federal campaign occurred at the March 21, 1996 meeting of the 39th District Democrats. The minutes from the meeting were attached to the response and indicate that Senator Quigley donated the \$3500 early in the meeting and then later during the same meeting received an unanimous non-exclusive endorsement and a \$2000 contribution.

³ The complaint also states that "Ms. Rossall herself has personally received \$1171.24 from the campaign's war chest, ostensibly for work done on behalf of the Quigley campaign."

⁴ Mr. Hobbs is also listed on the 39th District Democrats Statement of Organization as the committee's first vice-chair, under the heading "Committee's Principal Officers and/or Decision Makers".

and characteristics, a service which Quigley wanted completed. Both the NRCC and Mr. Bowen allege that in essence, hiring Mr. Hobbs was an in-kind contribution. Indeed, Mr. Bowen claims in his complaint that "the work performed by Mr. Hobbs was done at the home of Mr. Quigley and was in fact benefiting the Quigley for Congress campaign." Bowen Complaint at 1. In addition to being paid by the 39th District Democrats to work on this project, according to complainants, Hobbs volunteered for the Quigley campaign, at the same time he was being paid by the 39th District Democrats. *Id.*

MUR 4443 arose from a second complaint filed by Joseph Bowen on August 22, 1996, alleging that the respondents, the Quigley Federal Committee violated provisions of the FECA. Respondents were notified of the complaint on August 28, 1996. The complaint in MUR 4443 alleges that several organizations which made contributions listed on Mr. Quigley's second quarter report should have registered as federal political committees.

According to the respondents, "the evidence is overwhelming that no FEC violations have occurred **which were not** corrected prior to the filing of the above complaints." Response at 1. Respondents admit that they inadvertently accepted an excessive contribution from the 39th District Democrats, due to the failure to properly designate \$1000 for the primary election and \$1000 of the \$2000 cash contribution for the general election. They further claim that the allegation of accepting this excessive contribution is moot because the excessive amount (\$1000) was returned "promptly". Response at 4.

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As to the allegation of transferring impermissible funds from the Quigley State Committee to the Quigley Federal Committee through the 39th District Democrat Organization, respondents claim that the state committee's \$3500 contribution was specifically set aside for the purpose of hiring a district organizer to create a computerized database. Respondents also refer to the March 21, 1996 minutes of the 39th District Democrats meeting and note that "Senator Quigley pledged the \$3,500 exclusively to hire a district organizer to complete the Voter ID Project." Later at this same meeting, Senator Quigley asked for and received an endorsement from the 39th District Democrats. He then made a request for a \$2000 contribution from the group, but, according to the response, "[a]t no time in the meeting was Senator Quigley's contribution to the Voter ID Project tied to his request for an endorsement and a contribution." Response at 2.

Respondents attached thirteen affidavits⁵ to support this position and note that the handwritten minutes of both meetings demonstrate that the two contributions were never discussed together, "and that there was a long gap between the discussions and several intervening motions and reports." Response at 3.

⁵ Included with the response were affidavits from Kevin Quigley; Joann Rossall, chair of the 39th District Democrats; Jeff Soth, Mayor of Snohomish; Steve Hobbs, the selected organizer for the Voter ID Project; Stephen Dean, treasurer of the Quigley for Congress campaign; and several people who were in attendance at the March 21 meeting, including: Jack Lobdell; Patricia Patterson; Hugh Meyers; Lawrence Kuney; Robert Guild; Bob Craven; Kathy Conrad; and Dennis Ingram. However, neither Jack Lobdell nor Dennis Ingram are listed on the sign-in sheet from the March 21 meeting, although the minutes from the meeting are signed J.J.L., which indicates that perhaps Jack Lobdell was present.

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In a separate letter responding to MUR 4443 specifically, the Quigley Federal Committee claims that it "scrupulously" complied with the provisions of 11 C.F.R. § 102.5(b)(1)(ii) by making certain that each group limited its contribution to \$1,000 or less. Furthermore, each organization was required by the campaign to submit a signed statement verifying that on the date of the contribution, there were ample funds in the organization's account which were permissible under federal law (not from corporations, foreign national, etc.).

After a long history of permitting state campaign committees to transfer funds to federal campaign committees, the Commission adopted a regulation in 1993, 11 C.F.R. § 110.3(d), banning all such transfers due to concern over "the indirect use of impermissible funds in federal elections." Explanation and Justification, Transfers of Funds From State to Federal Campaigns, 58 Fed. Reg. 3474-75 (January 8, 1993). In the past, the Commission has concluded that such activity is not permissible. Advisory Opinion 1996-33 further states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution " (emphasis added). Many states impose fewer restrictions on contributions to campaigns for state elective offices. If transferred to a federal candidate, these funds would exceed FECA limits or would include funds prohibited under the FECA. For example, the state of Washington permits contributions from both corporations and labor unions. R.C.W. § 42.17.640(14).

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Although the Commission has received conflicting information about the events at issue, it does appear that the Federal Committee may have tried to achieve indirectly what can no longer be done directly. It appears that using the 39th District Democrats as a conduit, money from the Quigley State Committee was given directly to the Quigley Federal Committee. There is no dispute about the fact that Quigley's State Committee contributed \$3,500 to the 39th District Democrats. Nor is there any dispute that the 39th District Democrats made a \$2,000 contribution to Quigley's Federal Committee on the same day. All of the information obtained to date also confirms that the 39th District Democrats hired Steve Hobbs to do a Voter ID Project on the same day.

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The question remains whether the \$3,500 given to the 39th District Democrats was actually contributed to the Quigley Federal Committee through a cash contribution, payment for services benefiting the Federal Committee, or both. There may also be other expenses and contributions from the 39th District Democrats to the Quigley Federal Committee that this Office is unaware of at this time. An affidavit in the Commission's possession states that at the March 21st meeting of the 39th District Democrats Senator Quigley presented the 39th District Democrats with \$3500, stating explicitly that he wanted the 39th District Democrats to use a portion of it to hire Steve Hobbs and to use \$2000 of it as a donation to his congressional campaign: "After receiving assurances from Quigley that this was all legal, we approved a motion to both accept the gift and make the donation."

In contrast, affidavits submitted by the respondents state that Senator Quigley directed the \$3500 contribution to be used exclusively to hire a district organizer to work

on the Voter ID Project, and that the matter of the \$2000 donation to the Quigley Federal Committee was discussed separately during different parts of the meeting. Questions raised by the inconsistencies between these affidavits, as well as the proximity of the timing of these transactions, would appear to make further inquiry into these events appropriate.

However, even if the affidavits provided in support of the respondents are accurate, the Quigley State Committee may still have made a prohibited transfer of funds to the Federal Committee. As previously stated, there is no dispute that at the March 21, 1996 meeting of the 39th District Democrats Steve Hobbs was hired to begin work in April 1996 on a voter identification list. In addition, all the affidavits appear to agree that Quigley intended at least a portion of the State Committee's contribution to fund the Voter ID Project. Mr. Hobbs was eventually paid a total of \$3300 to complete the Voter ID Project.⁶

The information provided raises questions whether this project, having been funded by the State Committee's contribution, was conducted principally, if not entirely, to benefit Quigley's Federal Committee. The Voter ID Project involved compiling information on the characteristics (pro-life, pro-choice, etc.) of over 22,000 identified Republican, Democrat and special interest voters and creating a single working database. Information was gathered from a number of sources, such as walking lists created by the doorbellling efforts of previous campaigns in the 39th district, including Senator

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Quigley's 1992 State Senate election. It took Steve Hobbs at least forty hours a week for two months to complete the project:

The process of creating the Voter ID Database involved the process of taking thousands of entries from hard copies of annotated walking lists and entering each one in a new database. The process was complicated by the fact that precinct boundaries had changed and this required more data search and data entry time. Approximately twenty-two thousand special entries were cataloged on the Voter ID Database.

Response at 3.

Senator Quigley asserts that "[t]he Voter ID Project is primarily a tool for door-to-door canvassing which is not a substantial element of a Congressional or other federal campaign." Response at 4. However, other information received suggests that the work Mr. Hobbs performed on the project was done at the request of Senator Quigley and was run out of Senator Quigley's home. In addition, there is also a question whether during some of the time for which the 39th District Democrats were paying for work on the Voter ID Project, Mr. Hobbs was actually doing work on Mr. Quigley's federal campaign. Information in the Commission's possession states that upon arriving for what was understood to be a work party of the 39th District Democrats on the Voter ID Project, the only work being done was on the Quigley campaign.

The fact that Mr. Hobbs volunteered directly for the Quigley campaign at the same time he was being paid to organize the Voter ID Project further confuses the issue of the extent to which the 39th District Democrats may have been paying Mr. Hobbs with money from the Quigley State Committee to perform work that benefited Quigley's Federal Committee. Checks from the 39th District Democrats for the Voter ID Project are dated for the months of April and May 1996. The Kevin Quigley for Congress

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itemized disbursements report shows payments made to Mr. Hobbs for "volunteer reimbursement" and "volunteer activity" on April 16, May 12 and May 28 of 1996.⁷

The method by which money appears to have been contributed in the name of another also suggests that there may have been a deliberate scheme to circumvent the prohibition on a direct transfer of funds. The 39th District Democrats allowed their name to be used with apparent knowledge that the \$3500 would be given to the Quigley Federal Committee. When considering the timing of the two transactions and the events which took place at the March 21, 1996 meeting, it appears that the donation from the Quigley State Committee to the 39th District Democrats and in turn the donation from the 39th District Democrats to the Quigley Federal Committee were part and parcel of the same transaction.

Accordingly, with respect to MURS 4408 and 4409, Kevin Quigley for Congress and Stephen Dean, as treasurer; violated 2 U.S.C. § 441f by accepting a contribution made by one person in the name of another person; violated 2 U.S.C. § 441b(a) for accepting contributions from the Quigley State Committee, which may have included funds received from corporations and/or labor unions; and violated 2 U.S.C. § 434(b) for failing to properly report contributions received by the State Committee.

The complaint in MUR 4443 filed by Joseph Bowen alleges that specific contributions listed on Mr. Quigley's second quarter report were accepted in violation of

⁷ The April 16 reimbursement was for \$150.95 and was itemized on schedule B for Kevin Quigley for Congress as a volunteer reimbursement, copying and postage. The May 12 reimbursement was for \$82.00 and was listed as volunteer reimbursement. The May 28 reimbursement was for \$126.78 and was listed as volunteer activity.

federal election law because they were given by committees that were not federally registered as political committees at the time of the contribution.

| DATE | POLITICAL ACTION COMMITTEE | AMOUNT |
|----------------|--|---------|
| April 17, 1996 | Washington Chiropractic Trust | \$1,000 |
| April 29, 1996 | Washington School Administrators | \$500 |
| May 5, 1996 | United Psychologists | \$1,000 |
| May 9, 1996 | Fire Services Fund of Washington | \$500 |
| May 15, 1996 | Washington State Dental | \$650 |
| May 15, 1996 | Home Care Political Action Committee | \$250 |
| June 3, 1996 | Retail Pharmacy Council | \$200 |
| June 18, 1996 | Osteopathic Political Action Committee of Washington | \$250 |

MUR 4443 Complaint at 1.

2 U.S.C. § 431(4) defines a political committee as one "which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year," and therefore the respondents are not required to register with the Commission. 11 C.F.R. § 102.5(b) places an affirmative duty on organizations which are not political committees under the Act. These committees may either establish a separate account to which only funds subject to the prohibitions and limitations of the Act shall be deposited and from which contributions, expenditures and exempted payments shall be made; or demonstrate through a reasonable accounting method that whenever such organization makes a contribution, expenditure or exempted payment, that organization has received sufficient

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funds subject to the limitations and prohibitions of the Act to make such contribution, expenditure or payment.

A letter from the Quigley Federal Committee details how state political action committees would be able to donate to his federal committee. Pursuant to 11 C.F.R. § 110.3(d) this appears to be permissible. Each of these committees donated \$1000 or less to the Quigley Federal Committee. Nor are any of these committees reported to have made contributions to any other federal candidates. Information in the Commission's possession verifies that each of these committees, with one exception, had balances on hand which were greater than the amount of the contribution, and that the contribution consisted of funds permissible under federal law. Because the majority of these committees did not trigger the definition of a political committee under 2 U.S.C. § 431(4)(A), there was no requirement that they register under 2 U.S.C. § 433.

However, because there is insufficient evidence to determine that this was the case with all of the state committees mentioned in the complaint, there is reason to believe that Kevin Quigley for Congress and Stephen Dean, as treasurer, violated 2 U.S.C. § 441b by accepting a contribution from funds which may have included contributions received from labor organizations and/or corporations.

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FEDERAL ELECTION COMMISSION

Washington, DC 20463

January 22, 1998

Kevin Quigley
Citizens for Kevin Quigley
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MURs 4408, 4409
Citizens for Quigley

Dear Mr. Quigley:

On January 13, 1998, the Federal Election Commission found reason to believe that Citizens for Quigley ("Committee") violated 2 U.S.C. §§ 441f and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act.") The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission decided not to investigate these matters further. A Statement of Reasons explaining the Commission's decision will follow.

The Commission reminds you that making a contribution in the name of another to a candidate for a federal election, from funds which may have included contributions received from labor organizations and/or corporations, is a violation of 2 U.S.C. §§ 441f and 441b(a). You should take steps to ensure that this activity does not occur in the future.

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

If you have any questions, please contact Tara Meeker, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosure:

Factual and Legal Analysis

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Citizens for Quigley

MURS: 4408, 4409

This matter was generated by complaints filed with the Federal Election Commission by the NRCC and Joseph Bowen. See 2 U.S.C. § 437g(a)(1).

The Federal Election Campaign Act of 1971, as amended ("the Act"), states that it is unlawful for any corporation or labor union to make; or for any candidate, political committee, or other person to knowingly receive; a contribution to a candidate for federal office. 2 U.S.C. § 441b(a). A contribution includes a gift, loan, advance, deposit of money, or anything of value. 2 U.S.C. § 431(8)(A)(i). Each report filed by a political committee shall disclose the identification of each political committee which makes a contribution to the reporting committee. 2 U.S.C. § 434(b).

The FECA generally prohibits contributions in the name of another. The Act states that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. Examples of contributions in the name of another include giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made; and making a

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contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.

11 C.F.R. § 110.4(b)(2).

Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited. 11 C.F.R. § 110.3(d). However, a state committee may refund contributions and then coordinate with the federal committee for solicitation of the same contributors by the federal committee, providing the full cost of the solicitation is paid by the federal committee. *Id.*

Advisory Opinion 1996-33 states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution " (emphasis added).

While an individual may volunteer his or her services to a campaign and not have those services count as a contribution, another person may not subsidize the salary of the individual so that the individual can volunteer for the campaign. 2 U.S.C. § 431 (8)(A)(ii) and (8)(B)(i). An organization that pays an individual to volunteer for a political campaign itself makes a contribution to the campaign. See Common Cause and John K. Addy v. FEC, No. 94-02194 and No. 94-02112 (D.D.C., March 29, 1996), *rev'd on other grounds*, Common Cause v. FEC, No. 96-5160 (D.C. Cir., March 21, 1997).

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MUR 4408 arose from a complaint received by the Federal Election Commission ("Commission") on July 2, 1996. The National Republican Congressional Committee, ("NRCC") alleged that Citizens for Quigley violated provisions of the Federal Election Campaign Act of 1971, as amended, ("Act" or "FECA"). Respondent Citizens for Quigley ("Quigley State Committee" or "State Committee") was notified of the complaint on July 10, 1996. A supplemental complaint was received by the Commission on July 19, 1996. Respondent was notified of the Supplemental Complaint on July 22, 1996 and the Quigley State Committee answered both complaints on August 1, 1996.

MUR 4409 arose from a complaint filed on July 3, 1996 Joseph D. Bowen¹ alleging violations of the FECA against the Quigley State Committee. Respondent was notified of the complaint on July 10, 1996 and the Quigley State Committee responded on August 1, 1996.

The Complainants Joseph Bowen and the NRCC, in MURS 4408 and 4409 respectively, claim that the respondent violated the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee. Both Complainants allege that the State Committee was attempting to accomplish by indirect means what the law directly prohibits.

According to the complainants, Senator Quigley donated \$3500 to the 39th District Democrats from his state senate fund, and, at the same meeting, received a \$2000 contribution from the 39th District Democrats for his federal campaign.² The NRCC

¹ Mr. Joseph Bowen was a Democratic candidate in the 1996 primary against Senator Quigley.

² The alleged transfer of state funds to the federal campaign occurred at the March 21, 1996 meeting of the 39th District Democrats. The minutes from the meeting were

alleges that "[t]o circumvent bright-line federal election laws, congressional candidate Kevin Quigley and his local party organization knowingly perpetrated a sham transaction and funneled impermissible funds from Quigley's state committee into his federal campaign coffers. Such blatant money laundering violates both the letter and spirit of federal election laws." Complaint at 1.

The NRCC argues that the fact that Joann Rossall is both the Chairwoman of the 39th District Democrats and the Custodian of Records for the Quigley campaign³ provides further support for its allegation that there is a connection between the \$3500 contribution by Senator Quigley to the 39th District Democrats and the "turn-around" \$2000 donation back to his federal campaign. Supplemental Complaint at 2.

According to both complainants, the 39th District Democrats, in addition to serving as a conduit for the \$2000 contributed to Quigley's Federal Committee, also funneled an additional \$1,700 from the State Committee to the Federal Committee by hiring party activist Steve Hobbs⁴, at Senator Quigley's request, at \$1700 a month. The complaint states that Hobbs was hired to compile a computerized database of voter lists and characteristics, a service which Quigley wanted completed. Both the NRCC and Mr. Bowen allege that in essence, hiring Mr. Hobbs was an in-kind contribution. Indeed, Mr.

attached to the response and indicate that Senator Quigley donated the \$3500 early in the meeting and then later during the same meeting received an unanimous non-exclusive endorsement and a \$2000 contribution

³ The complaint also states that "Ms. Rossall herself has personally received \$1171.24 from the campaign's war chest, ostensibly for work done on behalf of the Quigley campaign."

⁴ Mr. Hobbs is also listed on the 39th District Democrats Statement of Organization as the committee's first vice-chair, under the heading "Committee's Principal Officers and/or Decision Makers".

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Bowen claims in his complaint that "the work performed by Mr. Hobbs was done at the home of Mr. Quigley and was in fact benefiting the Quigley for Congress campaign."

Bowen Complaint at 1. In addition to being paid by the 39th District Democrats to work on this project, according to complainants, Hobbs volunteered for the Quigley campaign, at the same time he was being paid by the 39th District Democrats. *Id.*

As to the allegation of transferring impermissible funds from the Quigley State Committee to the Quigley Federal Committee through the 39th District Democrat Organization, respondents claim that the state committee's \$3500 contribution was specifically set aside for the purpose of hiring a district organizer to create a computerized database. Respondent also refers to the March 21, 1996 minutes of the 39th District Democrats meeting and notes that "Senator Quigley pledged the \$3,500 exclusively to hire a district organizer to complete the Voter ID Project." Later at this same meeting, Senator Quigley asked for and received an endorsement from the 39th District Democrats. He then made a request for a \$2000 contribution from the group, but, according to the response, "[a]t no time in the meeting was Senator Quigley's contribution to the Voter ID Project tied to his request for an endorsement and a contribution." Response at 2.

Respondent attaches thirteen affidavits⁵ to support this position and notes that the handwritten minutes of both meetings demonstrate that the two contributions were never

⁵ Included with the response were affidavits from Kevin Quigley; Joann Rossall, chair of the 39th District Democrats; Jeff Soth, Mayor of Snohomish; Steve Hobbs, the selected organizer for the Voter ID Project; Stephen Dean, treasurer of the Quigley for Congress campaign; and several people who were in attendance at the March 21 meeting, including: Jack Lobdell; Patricia Patterson; Hugh Meyers; Lawrence Kuney; Robert Guild; Bob Craven; Kathy Conrad; and Dennis Ingram. However, neither Jack Lobdell

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discussed together, "and that there was a long gap between the discussions and several intervening motions and reports." Response at 3.

After a long history of permitting state campaign committees to transfer funds to federal campaign committees, the Commission adopted a regulation in 1993, 11 C.F.R. § 110.3(d), banning all such transfers due to concern over "the indirect use of impermissible funds in federal elections." Explanation and Justification, Transfers of Funds From State to Federal Campaigns, 58 Fed. Reg. 3474-75 (January 8, 1993). In the past, the Commission has concluded that such activity is not permissible. Advisory Opinion 1996-33 further states that "Commission regulations prohibit the transfer of funds or assets from a candidate's campaign committee for a nonfederal election to his or her principal campaign committee or other authorized committee for a Federal election . . . [t]his includes the reimbursement or other payment of funds by one person to another for the purpose of making a contribution." (emphasis added). Many states impose fewer restrictions on contributions to campaigns for state elective offices. If transferred to a federal candidate, these funds would exceed FECA limits or would include funds prohibited under the FECA. For example, the state of Washington permits contributions from both corporations and labor unions. R.C.W. § 42.17.640(14).

Although the Commission has received conflicting information about the events at issue, it does appear that the State Committee may have tried to achieve indirectly what can no longer be done directly. It appears that using the 39th District Democrats as a

nor Dennis Ingram are listed on the sign-in sheet from the March 21 meeting, although the minutes from the meeting are signed J.J.L., which indicates that perhaps Jack Lobdell was present.

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conduit, money from the Quigley State Committee was given directly to the Quigley Federal Committee. There is no dispute about the fact that Quigley's State Committee contributed \$3,500 to the 39th District Democrats. Nor is there any dispute that the 39th District Democrats made a \$2,000 contribution to Quigley's Federal Committee on the same day. All of the information obtained to date also confirms that the 39th District Democrats hired Steve Hobbs to do a Voter ID Project on the same day.

The question remains whether the \$3,500 given to the 39th District Democrats was actually contributed to the Quigley Federal Committee through a cash contribution, payment for services benefiting the Federal Committee, or both. There may also be other expenses and contributions from the 39th District Democrats to the Quigley Federal Committee that this Office is unaware of at this time. An affidavit in the Commission's possession states that at the March 21st meeting of the 39th District Democrats Senator Quigley presented the 39th District Democrats with \$3500, stating explicitly that he wanted the 39th District Democrats to use a portion of it to hire Steve Hobbs and to use \$2000 of it as a donation to his congressional campaign: "After receiving assurances from Quigley that this was all legal, we approved a motion to both accept the gift and make the donation."

In contrast, affidavits submitted by the respondent state that Senator Quigley directed the \$3500 contribution to be used exclusively to hire a district organizer to work on the Voter ID Project, and that the matter of the \$2000 donation to the Quigley Federal Committee was discussed separately during different parts of the meeting. Questions raised by the inconsistencies between these affidavits, as well as the proximity of the

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timing of these transactions, would appear to make further inquiry into these events appropriate.

However, even if the affidavits provided in support of the respondent are accurate, the Quigley State Committee may still have made a prohibited transfer of funds to the Federal Committee. As previously stated, there is no dispute that at the March 21, 1996 meeting of the 39th District Democrats Steve Hobbs was hired to begin work in April 1996 on a voter identification list. In addition, all the affidavits appear to agree that Quigley intended at least a portion of the State Committee's contribution to fund the Voter ID Project. Mr. Hobbs was eventually paid a total of \$3300 to complete the Voter ID Project.⁶

The information provided raises questions whether this project, having been funded by the State Committee's contribution, was conducted principally, if not entirely, to benefit Quigley's Federal Committee. The Voter ID Project involved compiling information on the characteristics (pro-life, pro-choice, etc.) of over 22,000 identified Republican, Democrat and special interest voters and creating a single working database. Information was gathered from a number of sources, such as walking lists created by the doorbelling efforts of previous campaigns in the 39th district, including Senator Quigley's 1992 State Senate election. It took Steve Hobbs at least forty hours a week for two months to complete the project.

The process of creating the Voter ID Database involved the process of taking thousands of entries from hard copies of annotated walking lists and

⁶ Mr. Hobbs received one check, #649 in the amount of \$1600.00 from the 39th District Democrats dated April 20, 1996 and another, #652 for \$1700.00 from the same organization dated May 22, 1996.

entering each one in a new database. The process was complicated by the fact that precinct boundaries had changed and this required more data search and data entry time. Approximately twenty-two thousand special entries were cataloged on the Voter ID Database.

Response at 3.

Senator Quigley asserts that "[t]he Voter ID Project is primarily a tool for door-to-door canvassing which is not a substantial element of a Congressional or other federal campaign." Response at 4. However, other information received suggests that the work Mr. Hobbs performed on the project was done at the request of Senator Quigley and was run out of Senator Quigley's home. In addition, there is also a question whether during some of the time for which the 39th District Democrats were paying for work on the Voter ID Project, Mr. Hobbs was actually doing work on Mr. Quigley's federal campaign. Information in the Commission's possession states that upon arriving for what was understood to be a work party of the 39th District Democrats on the Voter ID Project, the only work being done was on the Quigley campaign.

The fact that Mr. Hobbs volunteered directly for the Quigley campaign at the same time he was being paid to organize the Voter ID Project further confuses the issue of the extent to which the 39th District Democrats may have been paying Mr. Hobbs with money from the Quigley State Committee to perform work that benefited Quigley's Federal Committee. Checks from the 39th District Democrats for the Voter ID Project are dated for the months of April and May 1996. The Kevin Quigley for Congress

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itemized disbursements report shows payments made to Mr. Hobbs for "volunteer reimbursement" and "volunteer activity" on April 16, May 12 and May 28 of 1996.⁷

The method by which money appears to have been contributed in the name of another also suggests that there may have been a deliberate scheme to circumvent the prohibition on a direct transfer of funds. The 39th District Democrats allowed their name to be used with apparent knowledge that the \$3500 would be given to the Quigley Federal Committee. When considering the timing of the two transactions and the events which took place at the March 21, 1996 meeting, it appears that the donation from the Quigley State Committee to the 39th District Democrats and in turn the donation from the 39th District Democrats to the Quigley Federal Committee were part and parcel of the same transaction.

Accordingly, there is reason to believe that Citizens for Quigley violated 2 U.S.C. § 441f by making a contribution in the name of another; and violated 2 U.S.C. § 441b(a) for making a contribution from funds which may have included contributions received from labor organization and/or corporations.

⁷ The April 16 reimbursement was for \$150.95 and was itemized on schedule B for Kevin Quigley for Congress as a volunteer reimbursement, copying and postage. The May 12 reimbursement was for \$82.00 and was listed as volunteer reimbursement. The May 28 reimbursement was for \$126.78 and was listed as volunteer activity.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MURs 4408, 4409
Kevin Quigley for Congress)
Citizens for Quigley)
39th District Democrats)
Kevin Quigley)

STATEMENT OF REASONS

MUR 4408 arose from a complaint received on July 2, 1996 from the National Republican Congressional Committee. MUR 4409 arose from a complaint filed on July 3, 1996 by Joseph Bowen. Both complainants alleged that the Quigley State Committee, Kevin Quigley, the Quigley Federal Committee and the 39th District Democrats violated provisions of the FECA by participating in the transfer of impermissible funds from the Quigley State Committee to the Quigley Federal Committee.

In MURs 4408 and 4409, the Commission considered whether money from the Quigley State Committee was given to the Quigley Federal Committee using the 39th District Democrats as a conduit. While finding reason to believe that violations had occurred, the Commission unanimously voted to reject the Office of General Counsel's recommendation to authorize numerous subpoenas and investigate these matters. The Commission voted instead to take no

further action and to admonish the respondents. The Commission does not believe that the small dollar amount of what appears to have been in violation warrants the extensive use of Commission time and resources that would be necessary to fully investigate the events in these two matters.

2/9/98
Date

Joan D. Aikens
Joan D. Aikens
Chairman

2/9/98
Date

Scott E. Thomas
Scott E. Thomas
Vice-Chairman

2/9/98
Date

Lee Ann Elliott
Lee Ann Elliott
Commissioner

2/9/98
Date

John Warren McGarry
John Warren McGarry
Commissioner

2/11/98
Date

Danny L. McDonald
Danny L. McDonald
Commissioner

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 12, 1998

Kevin Quigley
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MURs 4408, 4409
Kevin Quigley

Dear Mr. Quigley:

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision not to investigate these matters further. This document will be placed on the public record as part of the file of MURs 4408 and 4409.

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

Sincerely,

A handwritten signature in cursive script, reading "Tara D. Meeker".

Tara D. Meeker
Attorney

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 12, 1998

Stephen Dean, Treasurer
Kevin Quigley for Congress
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MURs 4408, 4409
Kevin Quigley for Congress

Dear Mr. Dean:

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision not to investigate these matters further. This document will be placed on the public record as part of the file of MURs 4408 and 4409.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Tara D. Meeker".

Tara D. Meeker
Attorney

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 12, 1998

Kevin Quigley
Citizens for Kevin Quigley
1029 Springbrook Road
Lake Stevens, WA 98258

RE: MURs 4408, 4409
Citizens for Quigley

Dear Mr. Quigley:

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision not to investigate these matters further. This document will be placed on the public record as part of the file of MURs 4408 and 4409.

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

Sincerely,


Tara D. Meeker
Attorney

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 12, 1998

Clarajean Heirman, Treasurer
39th District Democrats
6410 99th Avenue SE
Snohomish, WA 98290-1318


RE: MURs 4408, 4409

Dear Ms. Heirman:

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision not to investigate these matters further. This document will be placed on the public record as part of the file of MURs 4408 and 4409.

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

Sincerely,


Tara D. Meeker
Attorney

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 12, 1998

Joseph D. Bowen
307 S. 1st Street
Mount Vernon, WA 98273-3804

RE: MUR 4409
Kevin Quigley for Congress and Stephen
Dean, as treasurer
Kevin Quigley
39th District Democrats and Clarajean
Heirman, as treasurer
Citizens for Quigley

Dear Mr. Bowen:

By letter dated January 22, 1998, the Office of the General Counsel informed you of determinations made with respect to the complaint filed by you against the above named respondents. Enclosed with that letter was the First General Counsel's Report.

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision not to investigate this matter further. This document will be placed on the public record as part of the file of MUR 4409.

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

Sincerely,

A handwritten signature in dark ink, appearing to read "Tara D. Meeker", written over a light-colored background.

Tara D. Meeker
Attorney

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4409
DATE FILMED 2/18/98 CAMERA NO. 2
CAMERAMAN SES

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20460

Date: 3/2/98

☒ Microfilm

☐ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4409

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CLOSED



FEDERAL ELECTION COMMISSION
Washington, DC 20463

January 28, 1998

Clarajean Heirman, Treasurer
39th District Democrats
6410 99th Avenue SE
Snohomish, WA 98290-1318

RE: MURs 4408, 4409

Dear Ms. Heirman:

As per our telephone conversation on January 27, 1998, I am writing to enclose the materials you requested which pertain to the above captioned matters. Included with this cover letter are the complaints in MURs 4408 and 4409, as well as the portion of the First General Counsel's report which footnotes that your service as treasurer did not begin until after the filing of these complaints. I have made note of the address change which you gave me, and forwarded the same to the Commission's Reports Analysis Division.

I offered to provide you with the address for the Washington State Public Disclosure Commission's (PDC) homepage on the Internet, which is found at: <http://www.washington.edu/pdc/>. In addition, I came across a homepage where you may file your reports electronically with the PDC: <http://sdr.com/WA.html>. If you have any other questions please feel free to call me at 1-800-424-9530.

Sincerely,


Tara D. Meeker
Attorney

Enclosures

Complaint in MUR 4408
Supplemental Complaint in MUR 4408
Complaint in MUR 4409
First General Counsel's Report, Pages 1 and 2

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