

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Amy Robin Habie)

Wallace Walker)

Rhea Weil)

Lawrence Herman)

Sue Sakolsky)

Sonia Pinkus)

MUR 4646

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FEDERAL ELECTION
COMMISSION
OFFICE OF THE
CHIEF COUNSEL
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CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to a complaint by Carol J. Lewis. The Commission found reason to believe that Amy Robin Habie knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441f. The Commission also found reason to believe that Wallace Walker, Rhea Weil, Lawrence Herman, Sue Sakolsky and Sonia Pinkus violated 2 U.S.C. § 441f. Habie, Walker, Weil, Herman, Sakolsky and Pinkus are hereinafter collectively referred to as "Respondents."

NOW, THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. "Reason to believe" is a preliminary finding and a statutory prerequisite to an investigation as to whether there is probable cause to believe that a violation of the Federal Election Campaign Act of 1971, as amended, has occurred. As Respondents wish to resolve this matter prior to a determination as to probable cause to believe, the Commission has neither considered nor made a finding as to whether there is probable cause to believe that Habie's violations of 2 U.S.C. §§ 441a(a)(1)(A) and 441f were knowing and willful.

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

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

1. Amy Robin Habie, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).
2. Wallace Walker, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).
3. Rhea Weil, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).
4. Lawrence Herman, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).
5. Carol J. Lewis, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).
6. Sue Sakolsky, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).
7. Sonia Pinkus, an individual who resides in the State of Florida, is a person within the meaning of 2 U.S.C. § 431(11).

8. Jane Harman was a candidate for Federal office within the meaning of 2 U.S.C. § 431(2) in California's 1996 Thirty-Sixth Congressional District election. Friends of Jane Harman is a political committee within the meaning of 2 U.S.C. § 431(4) and was the authorized campaign committee for then-Congresswoman Harman within the meaning of 2 U.S.C. § 431(6).

9. Senator Edward Kennedy was a candidate for Federal office within the meaning of 2 U.S.C. § 431(2) in Massachusetts' 1994 Senatorial election and is presently a candidate for Federal office within the meaning of 2 U.S.C. § 431(2) in Massachusetts' 2000 Senatorial election. Kennedy for Senate 1994 is a political committee within the meaning of 2 U.S.C. § 431(4) and was the authorized campaign committee for Senator Kennedy within the meaning of 2 U.S.C. § 431(6). Kennedy for Senate 2000 is a political committee within the meaning of 2 U.S.C. § 431(4) and is the authorized campaign committee for Senator Kennedy within the meaning of 2 U.S.C. § 431(6).

10. Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his or her authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

11. Pursuant to 2 U.S.C. § 441f, no person shall make a contribution in the name of another person or knowingly permit his or her name to be used to effect such a contribution. The Commission's regulations specifically describe a contribution in the name of another as "[g]iving 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." 11 C.F.R. § 110.4(b)(2)(i).

12. Amy Robin Habie made contributions to Kennedy for Senate 2000 and Friends of Jane Harman during the 1995-96 election cycle. In addition to these contributions that she made in her own name, Habie also made additional contributions by contributing in the name of another. Specifically, in an ongoing course of conduct occurring over a ten month period in 1995 and 1996, Habie reimbursed \$11,000 in contributions made by other persons to Friends of Jane Harman, Kennedy for Senate 1994 and Kennedy for Senate 2000. Those persons were family members (Rhea Weil and Lawrence Herman), an employee (Wallace Walker), a business associate (Carol J. Lewis), and friends (Sue Sakolsky and Sonia Pinkus) (collectively "straw donors"). In turn, Habie, at whose request the contributions were made, reimbursed these straw donors for the entirety of their contributions.

13. The specific contributions involved are as follows.

- a. On or about May 25, 1995, Rhea Weil contributed \$1,000 to Kennedy for Senate 1994.
- b. On or about December 11, 1995, Lawrence Herman, Wallace Walker and Sonia Pinkus each contributed \$1,000 to Kennedy for Senate 1994.
- c. On or about March 13, 1996, Sue Sakolsky contributed \$1,000 to Kennedy for Senate 1994, and Wallace Walker contributed \$1,000 to Kennedy for Senate 2000.

d. On or about May 23, 1996, Carol J. Lewis, Wallace Walker, Rhea Weil, and Lawrence Herman each contributed \$1,000 to Friends of Jane Harman.

e. On or about May 25, 1996, Sue Sakolsky contributed \$1,000 to Kennedy for Senate 2000.

VI. Amy Robin Habie violated 2 U.S.C. § 441f by making contributions in the name of another.

VII. Wallace Walker, Rhea Weil, Lawrence Herman, Sue Sakolsky and Sonia Pinkus violated 2 U.S.C. § 441f by knowingly permitting their names to be used to effect a contribution in the name of another.

VIII. Amy Robin Habie violated 2 U.S.C. § 441a(a)(1)(A) by contributing in excess of the Act's monetary limits.

IX. Respondents will pay a civil penalty to the Federal Election Commission in the amount of fifty thousand dollars (\$50,000), pursuant to 2 U.S.C. § 437g(a)(5)(B).

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

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

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


XIII. Respondents understand that the recipient campaign committees will be requested to disgorge the above-referenced reimbursed contributions to the United States Treasury. Respondents waive any and all claims they may have to the refund or reimbursement of such contributions.

XIV. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel


BY:


Lois G. Lerner
Associate General Counsel

Date

1/4/00

FOR RESPONDENT AMY ROBIN HABIE:


(Name)
(Position) Attorney of Record

Date

10/28/99

FOR RESPONDENT WALLACE WALKER:

James D. Schell
(Name)
(Position) Attorney of Record

10/28/99
Date

FOR RESPONDENT RHEA WEIL:

James D. Schell
(Name)
(Position) Attorney of Record

10/28/99
Date

FOR RESPONDENT LAWRENCE HERMAN:

James D. Schell
(Name)
(Position) Attorney of Record

10/28/99
Date

FOR RESPONDENT SUE SAKOLSKY:

James D. Schell
(Name)
(Position) Attorney of Record

10/28/99
Date

FOR RESPONDENT SONIA PINKUS:

James D. Schell
(Name)
(Position) Attorney of Record

10/28/99
Date