



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Date: 7/9/98

✓ Microfilm

         Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4678

98043893626

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

JUL 2 3 35 PM '98

# PERKINS COIE LLP

607 FOURTEENTH STREET, N.W. - WASHINGTON, D.C. 20005-2011

TELEPHONE: 202 628-6600 - FACSIMILE: 202 434-1690

June 29, 1998

VIA FIRST CLASS MAIL

**CLOSED**

JUL 8 3 23 PM '98

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Mr. Eric S. Brown  
Paralegal Specialist  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

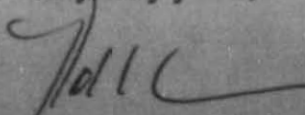
Re: MUR 4678  
Friends for Jim McDermott

Dear Mr. Brown:

On behalf of my client, Friends for Jim McDermott, I am enclosing the remaining payment agreed to by the Committee in the Conciliation Agreement sent to your office on June 11, 1998.

If you have any questions, please do not hesitate to contact me.

Very truly yours,



Robert F. Bauer  
Counsel to Friends for Jim McDermott

RFB:ccn

[28562-0001/DA981800.049]

98043893628

**FRIENDS FOR JIM MC DERMOTT**

CLERKS REG. 125733 FEC REG. C00223073  
P. O. BOX 21786  
SEATTLE, WA 98111-3786

2034

PAY  
TO THE  
ORDER OF

*Federal State Comm*

DATE *24 June 98*

19-57  
1250

\$ *500* -

*Jim Lubick*

*500* DOLLARS



KeyBank of Washington  
Seattle, Washington 98104  
1-800-KEY2YOU

FOR

*James A. Mc Dermott*

⑈002034⑈ ⑆125000574⑆ 048 6592 9⑈





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 8, 1998

JUL 8 3 23 PM '98

**TWO WAY MEMORANDUM**

TO: OGC Docket  
FROM: Rosa E. Swinton *RES*  
Accounting Technician  
SUBJECT: Account Determination for Funds Received

We recently received a check from **Friends of Jim Mc Dermott**, check number **2034**, dated **June 24, 1998**, for the amount of **500.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

TO: Rosa E. Swinton  
Accounting Technician  
FROM: OGC Docket  
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 500.00, the MUR/Case number is 4628 and in the name of Friends of Jim Mc Dermott. Place this deposit in the account indicated below:

- ☐ Budget Clearing Account (OGC), 95F3875.16  
☒ Civil Penalties Account, 95-1099.160  
☐ Other: \_\_\_\_\_

*Retha L. Nixon*  
Signature

7-9-98  
Date

98043893629





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4678

DATE FILMED 7/14/98 CAMERA NO. 2

CAMERAMAN ESS

980433850



National Republican Congressional Committee

John Linder, M.C.  
Chairman

Ted Maness  
Executive Director

ORIGINAL

September 30, 1997

BEFORE THE FEDERAL ELECTION COMMISSION

Friends for Jim McDermott Committee )  
FEC ID #C00223073 )

Friends of Jim McDermott Committee )  
FEC ID #C00239061 )

Jerald E. Farley, Treasurer )

MUR #4678

OCT 2 10 50 AM '97

FEDERAL ELECTION  
COMMISSION  
OFFICE OF THE CLERK

COMPLAINT & REQUEST FOR INVESTIGATION

The National Republican Congressional Committee ("NRCC"), by and through its Executive Director, Ted Maness, brings this complaint pursuant to 2 U.S.C. § 437g(a)(1). The NRCC is located at 320 First Street, S.E., Washington, D.C. 20003.

The Friends for Jim McDermott Committee and Friends of Jim McDermott Committee ("McDermott Committees") are the principal campaign committees of Washington state Congressman James McDermott. The McDermott Committees violated 2 U.S.C. § 434(a)(2)(B)(i) by failing to file their mid-year reports. These violations persists.

Federal law requires principal campaign committees for Congressional candidates to file periodic disclosure reports. *See* 2 U.S.C. § 434. One such report is the mid-year report, which must be filed "no later than July 31" of the non-election year. 2 U.S.C. § 434(a)(2)(B)(i). This law is mandatory. Campaigns must hand deliver or mail their reports by registered or certified mail to ensure their timely receipt. *See* 11 C.F.R. 104.5(e). Congressman Jim McDermott and his treasurer know this law, having filed this very report in 1995, 1993, 1991, and 1989.

Both McDermott Committees have failed to file their respective mid-year FEC reports for 1997. All that the McDermott Committees have provided is a July 31, 1997, facsimile message from the Sheraton Breakwater Casino-Hotel in Townsville, Queensland, Australia. This letter from an Australian casino -- signed by Mr. Farley -- assures the Commission that the McDermott Committees' filings "have been mailed from Townsville, Queensland, Australia on this day." *See Farley Facsimile to FEC (attached).*

Whether the McDermott Committees actually mailed their mid-year disclosure reports on July 31 is unknown. What is clear is that the FEC has still not received either report. Nor has the Washington State Public Disclosure Commission received copies of McDermott's mid-year reports, as is also required by law. 2 U.S.C. § 439(a)(2) (*In fact, McDermott has still not filed any year-end reports -- due January 31, 1997 -- with the state*). The failure to file these reports,

320 First Street, S.E.  
Washington, D.C. 20003  
(202) 479-7020

and apparent failure to mail them registered or certified mail, violates federal law. Because the violations are so clear-cut, and since it has enforced these laws against other committees in the past, the Commission should require minimal resources to enforce this statute. Such a simple complaint should not fall victim to "prosecutorial discretion." Indeed, failure to enforce the law in this case might embolden others to follow the McDermott Committees and break the law.

The Commission should enforce the law and demand that the McDermott Committees (1) belatedly file their reports, (2) make appropriate restitution for the two month delay and (3) prove that the violations were not knowing and willful. The Commission should learn why Mr. Farley carried the disclosure reports half way around the world when the Committees' records and computers are surely based in the United States. And the FEC should demand proof of the failed Australia mailing, such as a certified or registered mail certificate, to rule out willful nonfeasance.

District of Columbia

Signed and sworn to before me this

30<sup>th</sup> day of Sept., 1997

M. D. Acton

NOTARY PUBLIC

My Commission expires: 7/14/99

Respectfully Submitted,



Ted Maness, Executive Director  
Nat'l Republican Congr. Comm.

M. D. Acton  
Notary Public, District of Columbia  
My Commission Expires July 14, 1999




**Sheraton Breakwater**

 CASINO - HOTEL  
TOWNSVILLE

OUR WORLD REVOLVES AROUND YOU

# FACSIMILE SHEET

 TO Federal Election Commission U.S.A.

 FAX N° 0011 1 202 219-3880 DATE 31-07-97 N° OF PAGES 1

(Ind. file one)

 FROM Friends for Jim McDermott FEC# C00223073 & C00239061

The hotel shall not be liable to make compensation for any loss, injury, or damage arising or resulting from non-delivery or non-transmission of the facsimile or error or omission in the transmission or delivery thereof whatever cause such as non-transmission, non delivery, delay, error or omission occur.

FEC Form 3 for each committee for July 31 Mid-Year  
Reports and amended FEC Form 3 for (1) October Quarterly;  
(2) 12-Pre-General; and (3) 30-Day Post-General have  
been mailed from Townsville, Queensland, Australia  
on this day.

Respectfully,

Jerald E. Farley, Treasurer

 SIR LESLIE THIES DRIVE  
PO BOX 1223, TOWNSVILLE  
QUEENSLAND 4810 AUSTRALIA

 PHONE (07) 222 333  
FAX (07) 741 741



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

October 8, 1997

Ted Maness, Executive Director  
National Republican Congressional Committee  
320 First Street, SE  
Washington, DC 20003

RE: MUR 4678

Dear Mr. Maness:

This letter acknowledges receipt on October 2, 1997, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended. The respondent(s) will be notified of this complaint within five business days.

You 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 notarized and sworn to in the same manner as the original complaint. We have numbered this matter MUR 4678. 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 black ink, appearing to read "F. Andrew Turley", is written over a horizontal line.

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Enclosure  
Procedures

98043023054



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

October 8, 1997

Charles M. Williams, Treasurer  
Friends of Jim McDermott  
710 9th Street, SE  
Washington, DC 20003

RE: MUR 4678

Dear Mr. Williams:

The Federal Election Commission received a complaint which indicates that Friends of Jim McDermott ("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 4678. Please refer to this number in all future correspondence.

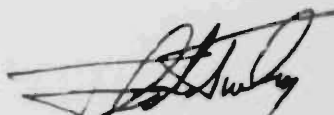
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements 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 Alva E. Smith at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Enclosures

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

cc: The Honorable Jim McDermott

98043893856



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

October 8, 1997

Jerald E. Farley, Treasurer  
Friends of Jim McDermott  
PO Box 21786  
Seattle, WA 98111

RE: MUR 4678

Dear Mr. Farley:

The Federal Election Commission received a complaint which indicates that Friends of Jim McDermott ("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 4678. Please refer to this number in all future correspondence.

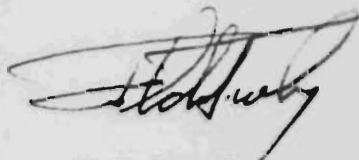
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements 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.

93043857

If you have any questions, please contact Alva E. Smith at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket

Enclosures

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

cc: The Honorable Jim McDermott

98043673850



October 27, 1997

Federal Election Commission  
999 "E" Street, N.W.  
Washington DC 20463

re MU 4678

Commissioners:

This letter is in response to your letter of October the 8th, 1997, which I received on October the 15th, 1997. Today, October the 27th, 1997, I am writing this response without legal counsel. I reserve the right to retain legal counsel.

I submit herewith a copy of my letter to the Commission dated October the 3rd, 1997, which was sent with an amended filing of the July the 31st, 1997, reports. When written, this letter explained the circumstances as they occurred. It was and is an accurate explanation of those circumstances.

Two additional pieces of information are provided herein by this letter to up-date that letter to the Commission of October the 3rd, 1997. First of all, my boxes containing my Committee records and other personal items, arrived on Monday, October the 6th, 1997, from Australia. On October the 9th, 1997, I sent to the Commission and to the State of Washington Public Disclosure Commission copies of the original reports which I had mailed from Townsville, Queensland, Australia, on July the 31st, 1997. My copies of the original reports were included in the boxes which I had mailed to myself on August the 7th, 1997, from Brisbane, Queensland, Australia. Secondly, since I no longer need them, I have canceled my request to the bank for copies of deposits.

Some responses to allegations made by Mr. Maness, on behalf of the National Republican Congressional Committee, are in order. First of all, my fax message, dated July the 31st, 1997, was not sent from a casino. It was sent from the hotel lobby registration desk of the ITT Sheraton Breakwater Hotel in Townsville, Australia. There is a casino attached to the hotel but it is in another part of the building. As far as I know, there are no faxing facilities in the casino. I did not go into the casino.

Secondly, on behalf of Friends for Jim McDermott and Friends of Jim McDermott, on October the 3rd, 1997, I have filed amended reports and, on October the 9th, 1997, I filed copies of the original reports which were filed on July the 31st, 1997.

Thirdly, contrary to an assertion by Mr. Maness, I did not carry "completed disclosure reports half way around the world". As stated in my October the 3rd, 1997, letter to the Commission, I had not completed the reports when I had to leave the United States on July the 16th, 1997. I completed the reports in Australia and mailed them from Australia. No completed reports were carried anywhere outside the United States. When I left on July the 16th, 1997, the reports did not exist. As I stated in my letter to the Commission of October the 3rd, 1997, I took with me to Australia all of the supporting documents from which I could construct the reports.

OCT 31 12 25 PM '97

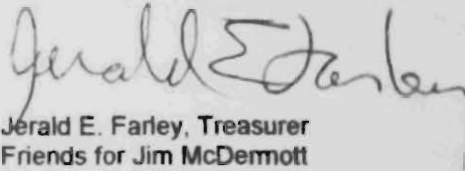
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

9 8 0 0 4 3 6 3 8 5 9

Finally, before I left the United States on July the 16th, 1997, I did not communicate in any way about the filing of the reports with Congressman McDermott, any member of his congressional staff, any person involved with Congressman McDermott's campaign committees or any other person. Typically, I do not. The responsibility to file the reports is mine and mine alone.

Should the Commission require other information, please let me know.

Respectfully,



Gerald E. Farley, Treasurer  
Friends for Jim McDermott  
Friends of Jim McDermott  
P O Box 21786  
Seattle  
Washington 98111-3786  
206-723-4477  
206-722-4477 FAX

9804389386C

October 3, 1997

Federal Election Commission  
999 "E" Street, N.W.  
Washington DC 20463

Commissioners:

I am the Treasurer of Friends for Jim McDermott and Friends of Jim McDermott.

Two days ago, because of telephone message from a reporter, I learned that the Commission has not received my filing of the July the 31st, 1997, Mid-Year Report from Friends for Jim McDermott and Friends of Jim McDermott. I have not received any letter or communication of any kind from the Commission or the Commission's staff informing me of this situation, so, until I received this message, I did not know that my reports had not been received by the Commission. The responsibility to file these reports is entirely mine. The apparent failure of the reports I filed in July, 1997, for these Committees, to reach the Commission is entirely my responsibility. I enclose herewith an amended filing for the Committees. I believe that the Commission deserves an explanation of the circumstances in which this filing is made.

Due to the press of business responsibilities, I was unable to complete the reports before I had to leave the United States on July the 16th on a trip to Australia and New Zealand. This trip was primarily, though not entirely, a vacation. As a result, I took all of my records and documents with me. We arrived in Melbourne, Australia, on July the 18th, 1997. I completed my work on the reports during the first few days after our arrival in Australia. From Australia, I called the Commission offices to inquire as to the best way in which to submit my reports. Commission staff told me that faxed filings were not legal because they would not contain an original signature. So, on the day on which I mailed the report, I faxed a notice to the Commission that the reports had been mailed. We then continued on our trip in Australia.

On August the 6th, our last day in Brisbane, Australia, I made arrangements through the Conrad Hilton International Hotel, where we were staying, to ship all of the McDermott Committees' records and several personal items home to the United States so that I would no longer have to carry nearly 50 pounds of papers with me. I asked that the documents be shipped in the most expeditious manner. I was told that they would be shipped by express mail and would arrive in the United States in no more than 3 weeks. I paid the Brisbane Conrad Hilton International Hotel \$ 142.00 or \$ 192.00 (Australian) to have all these documents shipped. The documents, which were contained in two boxes each weighing approximately 14 kilos, actually were left with the Hotel Concierge on the 7th of August and were to be shipped that day. We then continued on our trip through Australia and New Zealand. We arrived back in the United States on August the 22nd, 1997. I expected the two boxes to be in the United States just before or just after my own return.

When the two boxes did not arrive by the end of August, I decided that I would allow another week for their arrival. My thinking was that Labor Day could possibly

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account for an unexpected delay in delivery. However, when the boxes did not arrive by the end of that first week of September, I attempted to contact the Hotel concierge to find out if there were problems. I made at least three and possibly more international telephone calls to the Hotel. Each time, I was assured, by the person to whom I spoke, that he would look into the matter and get back to me that very day. Only the last time, on September the 19th, 1997, did this in fact occur. On that day, I was informed that the Hotel mail room had not shipped my boxes by express mail. Instead, the Hotel had shipped them by "economy mail"--the term the Hotel staff person used. He informed me that the boxes would arrive not in 3 weeks but in 10 to 12 or 14 weeks. In essence, I had been told the mail service for which I paid would ensure delivery near the end of August; but actual delivery will probably not occur until the end of October or sometime in November. The Hotel staff had misrepresented the kind of mail service for which I had paid or they did not know what they were doing. I have not been able to determine which.

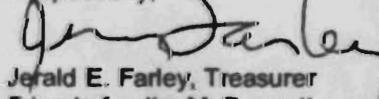
When, I learned from the reporter's telephone message that the Commission had not yet received the reports I mailed from Australia, I began to attempt to construct new reports using whatever records I can obtain here in Seattle. I have asked the bank of record to provide me with microfiche copies of the all deposits. Since I took my copies of contributor checks with me to Australia, and these copies are in the boxes with all my other records, the bank will be the only other source. The bank has told me that it will take several days to get these microfiche copies. When I get those microfiche copies, I will be able to make any necessary corrections to the filings which are sent with this letter. The reports filed with this letter are accurate to the best of my knowledge and belief.

I want the Commission and all other persons to know that I and I alone am responsible for this situation. I bear full responsibility for what has happened. Neither the Congressman nor any members of his staff has in any way contributed to the problem and neither the Congressman nor any member of his staff has any responsibility for my failure to ensure that the reports I filed in Australia actually got the Commission. In fact, I have not talked to the Congressman nor to any member of his staff about this situation as of the time at which I write this letter.

I am sorry that a failure of judgment on my part has caused this situation to occur. I am sorry that I have put the Commission in a difficult situation. In particular, I am most sorry that I may have placed the Congressman in a difficult and unfortunate situation. He has relied upon me and given me his trust. He is a good and decent man and I am very sorry that I have failed him.

At the earliest possible time, either when my boxes of records arrive from Australia or when the bank gives me the microfiche copies, I will up-date the reports sent with this letter as necessary and ensure the accuracy of the filings as required on line 11(a)(i) and all political action committees on line 11(c).

Respectfully,

  
Gerald E. Farley, Treasurer  
Friends for Jim McDermott  
Friends of Jim McDermott  
P O Box 21786  
Seattle, Washington 98111-3786  
206-723-4477  
206-722-4477 FAX

12/5/1997

12:23:1

michaela

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF SECRETARY  
OF STATE

JUL 15 1996

JUL 16 1996

Public Disclosure Commir

## REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Friends of Jim McDermott</b>		2. FEC IDENTIFICATION NUMBER <b>C00239061</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>710 9th Street, S.E.</b>		3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
CITY, STATE and ZIP CODE: <b>Washington D.C. 20003</b>	STATE/DISTRICT <b>Washington/7th</b>	

## 4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☐ Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
election on \_\_\_\_\_ in the State of \_\_\_\_\_
- ☒ July 15 Quarterly Report ☐ Thirtieth day report following the General Election on \_\_\_\_\_  
in the State of \_\_\_\_\_
- ☐ October 15 Quarterly Report ☐ Termination Report
- ☐ January 31 Year End Report
- ☐ July 31 Mid-Year Report (Non-election Year Only)
- This report contains activity for ☒ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
04-01-96 through 06-30-96		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	000.00	000.00
(b) Total Contribution Refunds (from Line 20(d))	000.00	000.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	000.00	000.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	8,987.82	9,824.82
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	000.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	8,987.82	9,824.82
8. Cash on Hand at Close of Reporting Period (from Line 27)	25,963.57	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

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

Type or Print Name of Treasurer <b>Jerald E. Farley</b>	Date <b>07-14-96</b>
Signature of Treasurer <i>Jerald E. Farley</i>	

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 18 U.S.C. §437g.

12/5/1997

12:24:00

michaela

**REPORT OF RECEIPTS AND DISBURSEMENTS**For An Authorized Committee  
(Summary Page)

FEB 19 1996

RECEIVED

FEB 20 1996

Public Disclosure Commission

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Friends for Jim McDermott</b>		2. FEC IDENTIFICATION NUMBER <b>C00223073</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>P O Box 21786</b>		
CITY, STATE and ZIP CODE <b>Seattle, Washington 98111-3786</b>	STATE/DISTRICT <b>Wash./ 7th</b>	
3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

**4. TYPE OF REPORT**

- ☐ April 15 Quarterly Report ☐ Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
election on \_\_\_\_\_ in the State of \_\_\_\_\_
- ☐ July 15 Quarterly Report ☐ Thirtieth day report following the General Election on \_\_\_\_\_  
in the State of \_\_\_\_\_
- ☒ January 31 Year End Report \_\_\_\_\_ in the State of \_\_\_\_\_
- ☐ July 31 Mid-Year Report (Non-election Year Only) ☐ Termination Report
- This report contains activity for ☒ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

**SUMMARY**

5. Covering Period <u>07-01-95</u> through <u>12-31-95</u>	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	18,523.00	44,029.00
(b) Total Contribution Refunds (from Line 20(d))	00.00	00.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	18,523.00	44,029.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	5,480.57	18,083.62
(b) Total Offsets to Operating Expenditures (from Line 14)	00.00	398.76
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	5,480.57	17,684.86
8. Cash on Hand at Close of Reporting Period (from Line 27)	64,047.74	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	00.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	00.00	

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

Type or Print Name of Treasurer <b>Jerald E. Farley</b>	Date <b>01-27-96</b>
Signature of Treasurer 	

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

**FEC FORM 3**  
(revised 4/87)

98043893864



michaela

**For An Authorized Committee**  
(Summary Page)

APR 16 1996

**Antibiotic Disclosure Commission**

**TYPE OR PRINT**

1. NAME OF COMMITTEE (in full)  
 Friends of Jim McDermott  
 ADDRESS (number and street) ☐ Check if different than previously reported.  
 710 9th Street, S.E.  
 CITY, STATE and ZIP CODE  
 Washington D.C. 20003  
 STATE/DISTRICT  
 Washington/7th

2. **FEC IDENTIFICATION NUMBER**  
C00239061

3. **IS THIS REPORT AN AMENDMENT?**  
☐ YES ☒ NO

xxx April 15 Quarterly Report

☐ Twelfth day report preceding \_\_\_\_\_  
(Type of Election)

July 15 Quarterly Report

election on \_\_\_\_\_ in the State of \_\_\_\_\_

October 15 Quarterly Report☐ Thirtieth day report following the General Election on☐ January 31 Year End Report

In the State of \_\_\_\_\_

☐ July 31 Mid-Year Report (Non-election Year Only)☐ Termination Report


This report contains  
activity for

☒ ☒ ☒ Primary Election☐ General Election☐ **Special Election**☐ Runoff Election

## SUMMARY

5. Covering Period <u>01-01-96</u> through <u>03-31-96</u>		COLUMN A This Period	COLUMN B (Calendar Year-to-Date)
6. Net Contributions (other than loans)			
(a) Total Contributions (other than loans) (from Line 11(a))		00.00	00.00
(b) Total Contribution Refunds (from Line 20(d))		00.00	00.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))		00.00	00.00
7. Net Operating Expenditures			
(a) Total Operating Expenditures (from Line 17)		837.00	837.00
(b) Total Offsets to Operating Expenditures (from Line 14)		00.00	00.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))		837.00	837.00
8. Cash on Hand at Close of Reporting Period (from Line 27)		34,951.39	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9530
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C (and/or Schedule D))		000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C (and/or Schedule D))		000.00	

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

Type or Print Name of Treasurer	Jerald E. Farley
Signature of Treasurer	
Date	04-15-96

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

[illegible]FEC FORM 3  
(revised 4/87)

**Table 1**



**UNITED STATES HOUSE OF REPRESENTATIVES**  
**FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1995**

FORM A

For use by Members, officers, and employees

James A. McDermott

Post Office Box 20265

Seattle Washington 98102

(Mailing Address)

Daytime Telephone:  
202/225/3106 or 206/553/7170RECEIVED  
JUN 21 1996  
Public Disclosure CommissionLEGISLATIVE RESOURCE CENTER  
96 MAY 14 PM 5:23  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVESHAND DELIVERED  
(Office Use Only)A \$200 penalty shall be assessed  
against anyone who files more than  
30 days late.

Filer Status	<input checked="" type="checkbox"/> Member of the U.S. House of Representatives	State: <u>Washington</u>	<input type="checkbox"/> Officer or Employee	Employing Office:
Report Type	<input checked="" type="checkbox"/> Annual (May 15)	<input type="checkbox"/> Amendment	<input type="checkbox"/> Termination	Termination Date:

**PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS**

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	VI. Did you, your spouse, or a dependent child receive any reportable gift in the reporting period (i.e., aggregating more than \$250 and not otherwise exempt)? If yes, complete and attach Schedule VI.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
II. Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period? If yes, complete and attach Schedule II.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	VII. Did you, your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than \$250 from one source)? If yes, complete and attach Schedule VII.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
III. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, complete and attach Schedule III.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	VIII. Did you hold any reportable positions on or before the date of filing in the current calendar year? If yes, complete and attach Schedule VIII.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
IV. Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than \$1,000 in the reporting period? If yes, complete and attach Schedule IV.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IX. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule IX.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
V. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, complete and attach Schedule V.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.	

**EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS**

<b>TRUSTS</b> —Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10–11.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>EXEMPTION</b> —Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See Instructions, page 11.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

**CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED**

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil penalties (See 5 U.S.C. app. 6, §104).	
SIGNATURE OF REPORTING INDIVIDUAL <i>James A. McDermott</i>	DATE (Month/Day/Year) 5/13/96

PDC

michaela

12/05/97 FRI 13:39 FAX 3607531112

12:24:33

12/5/1997

99886887086

michaela

**For An Authorized Committee**  
(Summary Page)

TYPE OR PRINT

1. NAME OF COMMITTEE (in full)		AUG 30 1996
Friends for Jim McDermott		
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported.		2. FEC IDENTIFICATION NUMBER C00223073
P O Box 21786		
CITY, STATE and ZIP CODE	STATE/DISTRICT	3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Seattle, Washington 98111-3786	Wash./ 7th	

**AUG 30 1996**

## Type of Student:

election on 09-17-96 in the State of Washington


☐ Thirtieth day report following the General Election on

In the State of

☐ Termination Report☐ Runoff Election

5. Covering Period <u>07-01-96</u> through <u>08-28-96</u>		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6.	Net Contributions (other than loans)		
(a)	Total Contributions (other than loans) (from Line 11(a))	23,829.00	58,857.80
(b)	Total Contribution Refunds (from Line 20(d))	000.00	100.00
(c)	Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	23,829.00	58,757.80
7.	Net Operating Expenditures		
(a)	Total Operating Expenditures (from Line 17)	17,531.00	48,588.80
(b)	Total Offsets to Operating Expenditures (from Line 14)	000.00	220.21
(c)	Net Operating Expenditures (subtract Line 7(b) from 7(a))	17,531.00	48,360.59
8.	Cash on Hand at Close of Reporting Period (from Line 27)	47,977.71	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9530
9.	Debits and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10.	Debits and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

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

Type or Print Name of Treasurer <b>Jerald E. Farley</b>	
Signature of Treasurer 	Date <b>08-30-96</b>

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 9437a.

FEC FORM 3  
(revised 4/87)

12/5/1997

12:25:1

michaela

**REPORT OF RECEIPTS AND DISBURSEMENTS**For An Authorized Committee  
(Summary Page)

RECEIVED

001241

U.S. Disclosure Committee

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Friends for Jim McDermott</b>		2. FEC IDENTIFICATION NUMBER <b>C00223073</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>P O Box 21786</b>		3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input type="checkbox"/> NO
CITY, STATE and ZIP CODE <b>Seattle, Washington 98111-3786</b>	STATE/DISTRICT <b>Wash./ 7th</b>	

**4. TYPE OF REPORT**


- ☐ April 15 Quarterly Report  
☐ July 15 Quarterly Report  
☐ October 15 Quarterly Report  
☐ January 31 Year End Report  
☐ July 31 Mid-Year Report (Non-election Year Only)  
☒ Twelfth day report preceding General (Type of Election)  
 election on 11-05-96 in the State of Wash.  
☐ Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_  
☐ Termination Report

This report contains  
activity for
☐ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election
**SUMMARY**

5. Covering Period <u>10-01-96</u> through <u>10-16-96</u>	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	10,797.00	73,945.56
(b) Total Contribution Refunds (from Line 20(d))	000.00	100.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	10,797.00	73,845.56
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	1,957.44	58,833.00
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	220.21
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	1,957.44	58,612.79
8. Cash on Hand at Close of Reporting Period (from Line 27)	29,821.27	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

For further information  
contact:  
Federal Election Commission  
990 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-219-5420

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

Type or Print Name of Treasurer <b>Jerald E. Farley</b>	Date <b>10-21-96</b>
Signature of Treasurer 	

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

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**FEC FORM 3**  
(revised 4/87)

98043893868

Oct 30.96

3:34 No.002 P.01

## Facsimile Cover Sheet

To: Federal Election Commission  
Company: \_\_\_\_\_  
Phone: 800-424-9530  
Fax: 202-219-0174

From: Friends for Jim McDermott  
Jerald E. Parley, Treasurer

Telephone: 206-723-4477  
cellular : 206-713-3388  
pager : 206-991-0036 (enter # after tone)  
FAX : 206-722-4477

Date: 10-30-96

Pages including this  
cover page: 1

### Comments:

On Tuesday, October the 29th, 1996, Friends for Jim McDermott received the following contributions:

1) SAVPAC-Washington Savings League (Federal)	500.00
2) Federal COLAF	250.00
3) Projectionist Action Club of Local 306	500.00
4) National Association for Homecare Congressional Action Committee	1,000.00

98043869



# REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)

OCT 30 1996

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Friends for Jim McDermott</b>		2. FEC IDENTIFICATION NUMBER <b>C00223073</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>P O Box 21786</b>		
CITY, STATE and ZIP CODE <b>Seattle, Washington 98111-3786</b>	STATE/DISTRICT <b>Wash./ 7th</b>	3. IS THIS REPORT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

## 4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☒ Twelfth day report preceding Primary (Type of Election)  
election on 09-17-96 in the State of Washington
- ☐ July 15 Quarterly Report ☐ Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_
- ☐ October 15 Quarterly Report ☐ January 31 Year End Report
- ☐ July 31 Mid-Year Report (Non-election Year Only) ☐ Termination Report

This report contains activity for

☒ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
<u>07-01-96</u> through <u>08-28-96</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	23,829.00	58,857.80
(b) Total Contribution Refunds (from Line 20(d))	000.00	100.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	23,829.00	58,757.80
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	17,531.00	48,588.80
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	220.21
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	17,531.00	48,360.59
8. Cash on Hand at Close of Reporting Period (from Line 27)	47,977.71	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

For further information contact:  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-215-3429

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

Type or Print Name of Treasurer <b>Jerald E. Farley</b>	Date <b>10-30-96</b>
Signature of Treasurer <i>Jerald E. Farley</i>	

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

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FEC FORM 3  
(revised 4/87)

9804389387C

12/5/1997

12:27:2

michaela

24 Oct 96.

From the desk of

*Jack Spitzer*

FRIEND for Jim McDermott

PLEASE BE ADVISED THAT  
I AM DESIGNATING \$1000 OF  
MY CONTRIBUTIONS TO  
CONGRESSMAN McDermott's  
1996 PRIMARY CAMPAIGN AND  
NOMINATION AND \$400 OF  
MY CONTRIBUTIONS TO HIS  
GENERAL CAMPAIGN AND  
ANTICIPATED ELECTION.

*Jack Spitzer*

JACK J. SPITZER  
9725 S.E. 36th Street  
Suite 304  
Mercer Island, WA 98040-3640

98043893871

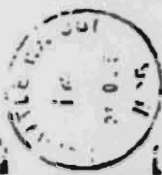
98043893872

12/05/97 FRI 13:41 FAX 3607531112  
12/5/1997 12:27:2

PDC  
michaela

011

Jack J. Spitzer  
4304, Globe Building  
9725 S.E. 36th St.  
Mercer Island, WA 98040



Friends for Jim McDermott  
P.O. Box 21786  
Seattle, WA. 98111-3786

Attn: Jenny Farley



# REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)

RECEIVED

FEB 21 1997

Public Disclosure Commission

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Friends of Jim McDermott</b>		2. FEC IDENTIFICATION NUMBER <b>C00239061</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>710 9th Street, S.E.</b>		
CITY, STATE and ZIP CODE <b>Washington D.C. 20003</b>	STATE/DISTRICT <b>Washington/7th</b>	
3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

## 4. TYPE OF REPORT

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

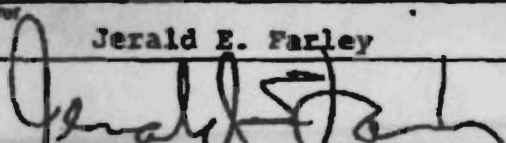
This report contains activity for ☐ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
<u>11-26-96</u> through <u>12-31-96</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	000.00	29,290.00
(b) Total Contribution Refunds (from Line 20(d))	000.00	000.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	000.00	29,290.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	000.00	14,009.07
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	000.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	000.00	14,009.07
8. Cash on Hand at Close of Reporting Period (from Line 27)	31,572.32	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

For further information  
contact:  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-219-3420

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

Type or Print Name of Treasurer <b>Jerald E. Farley</b>	Date <b>01-10-97</b>
Signature of Treasurer: 	

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

98043893873



<b>UNITED STATES HOUSE OF REPRESENTATIVES</b>				<b>Form A</b>	
<b>FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1998</b>				For use by Members, officers, and employees	
<b>RECEIVED</b>					
James A. McDermott (Full Name)					
1810 East Lynn Street (Mailing Address)					
Seattle WA 98102				Daytime Telephone: 206/333/7170	
<b>Filer Status</b>	<input checked="" type="checkbox"/> Member of the U.S. House of Representatives	<b>State:</b> WA	<input type="checkbox"/> Officer or Employee	<b>Employing Office:</b>	
<b>Report Type</b>	<input checked="" type="checkbox"/> Annual (May 15)	<input type="checkbox"/> Amendment	<input type="checkbox"/> Termination		
				Termination Date:	

RECEIVED  
LEGISLATIVE RESOURCE CENTER  
97 MAY 15 PM 12:12

OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES

**MC HAND DELIVERED**  
(Office Use Only)

**A \$200 penalty shall be assessed against anyone who files more than 30 days late.**

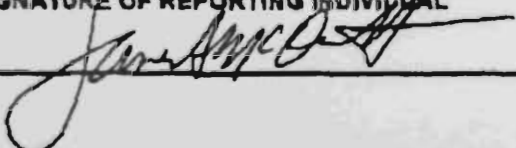
### PRELIMINARY INFORMATION -- ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	VI. Did you, your spouse, or a dependent child receive any reportable gift in the reporting period (i.e., aggregating more than \$250 and not otherwise exempt)? If yes, complete and attach Schedule VI.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
II. Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period? If yes, complete and attach Schedule II.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	VII. Did you, your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than \$250 from one source)? If yes, complete and attach Schedule VII.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
III. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, complete and attach Schedule III.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	VIII. Did you hold any reportable positions on or before the date of filing in the current calendar year? If yes, complete and attach Schedule VIII.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
IV. Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than \$1,000 in the reporting period? If yes, complete and attach Schedule IV.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IX. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule IX.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
V. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, complete and attach Schedule V.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.	

### EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION -- ANSWER EACH OF THESE QUESTIONS

TRUSTS--Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10-11.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
EXEMPTION Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See Instructions, page 11.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

### CERTIFICATION -- THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil penalties and criminal sanctions (See 5 U.S.C. app. 4, 104 and 18 U.S.C. 1001).	
SIGNATURE OF REPORTING INDIVIDUAL 	DATE (Month/Day/Year) 17 May 97

98043893874



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCT - 9 1997

RECEIVED

OCT 10 1997

RQ-2

Public Disclosure Commission

Jerald E. Farley, Treasurer  
Friends for Jim McDermott  
P.O. Box 21786  
Seattle, WA 98111

JUN - 3 1997

Identification Number: C00223073

Reference: October Quarterly Report (8/29/96-9/30/96)

Dear Mr. Farley:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 21, Column A, of the Detailed Summary Page discloses \$0 in other disbursements. Schedule B supporting Line 21 itemizes \$9,315.76 in other disbursements. Please correct this discrepancy and file an amendment to your report(s). (11 CFR §104.3(b))

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Tracy L. Tiell  
Reports Analyst  
Reports Analysis Division

447

## REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)

OCT - 9 1997 RECEIVED

OCT 10 1997

Federal Election Commission

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Friends for Jim McDermott		2. FEC IDENTIFICATION NUMBER C00223073
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. P O Box 21786		
CITY, STATE and ZIP CODE Seattle, Washington 98111-3786	STATE/DISTRICT Wash./ 7th	3. IS THIS REPORT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

## 4. TYPE OF REPORT

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

This report contains  
activity for

Primary Election



General Election



Special Election



Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
08-29-96 through 09-30-96		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	4,290.76	63,148.56
(b) Total Contribution Refunds (from Line 20(d))	000.00	100.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	4,290.76	63,048.56
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	8,286.76	56,875.56
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	220.21
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	8,286.76	56,655.35
8. Cash on Hand at Close of Reporting Period (from Line 27)	34,665.95	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

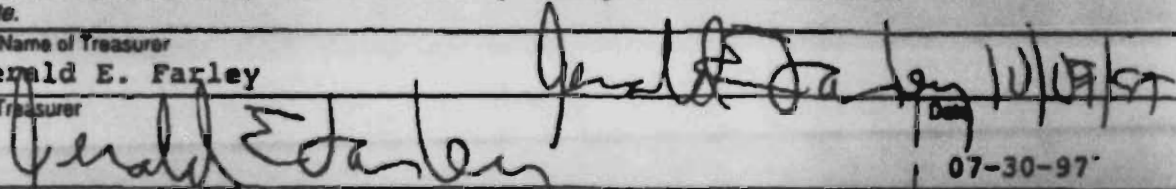
For further information  
contact:  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-219-3420

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

Type or Print Name of Treasurer

Jerald E. Farley

Signature of Treasurer



07-30-97

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 5437g.



05/87 FRI 13:4 FAX 3807531112 FDC  
REPORT OF RECEIPTS AND DISBURSEMENTS

**For An Authorized Committee**  
(Summary Page)

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full)		OCT - 3 1997
Friends for Jim McDermott		
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported.		2. FEC IDENTIFICATION NUMBER C00223073
P O Box 21786		
CITY, STATE and ZIP CODE	STATE/DISTRICT	3. IS THIS REPORT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Seattle, Washington 98111-3786	Wash/7th	

#### 4. TYPE OF REPORT

- ☐ April 15 Quarterly Report
- ☐ July 15 Quarterly Report
- ☐ October 15 Quarterly Report
- ☐ January 31 Year End Report
- ☒ July 31 Mid-Year Report (Non-election Year Only)
- ☐ 12-Day Pre-Election Report for the \_\_\_\_\_  
(Type of Election)  
election on \_\_\_\_\_ in the State of \_\_\_\_\_
- ☐ 30-Day Post-Election Report for the \_\_\_\_\_  
(Type of Election)  
election on \_\_\_\_\_ in the State of \_\_\_\_\_
- ☐ Termination Report


This report contains  
activity for

☐ ☐ ☐ **Primary Election**☐ General Election☐ **Special Election**☐ Runoff Election

## SUMMARY

5. Covering Period <u>01-01-97</u> through <u>06-30-97</u>		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Net Contributions (other than loans)			
(a) Total Contributions (other than loans) (from Line 11(e)) .....		54,303.75	54,303.75
(b) Total Contribution Refunds (from Line 20(d)) .....		500.00	500.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a)) .....		53,803.75	53,803.75
7. Net Operating Expenditures			
(a) Total Operating Expenditures (from Line 17) .....		19,949.13	19,949.13
(b) Total Offsets to Operating Expenditures (from Line 14) .....		000.00	000.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a)) .....		19,949.13	19,949.13
8. Cash on Hand at Close of Reporting Period (from Line 27) .....		70,219.32	For further information contact: Federal Election Commission 990 E Street, NW Washington, DC 20003 Toll Free 800-424-9530
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D) .....		none	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D) .....		none	

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

Type or Print Name of Treasurer	Jerald E. Farley	Date	10-03-97
Signature of Treasurer			

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 18 U.S.C. 6437a.

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## REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SEP 15 1997  
Public Disclosure Commission  
DEC 9 1 30 PM '96USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Friends for Jim McDermott		2. FEC IDENTIFICATION NUMBER C00223073
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. P O Box 21786		
CITY, STATE and ZIP CODE Seattle, Washington 98111-3786	STATE/DISTRICT Wash./ 7th	
3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input type="checkbox"/> NO		

## 4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☐ Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
☐ July 15 Quarterly Report election on \_\_\_\_\_ in the State of \_\_\_\_\_  
☐ October 15 Quarterly Report ☒ Thirtieth day report following the General Election on  
☐ January 31 Year End Report 11-05-96 in the State of Washington  
☐ July 31 Mid-Year Report (Non-election Year Only) ☐ Termination Report

This report contains  
activity for☒ Primary Election☒ General Election☐ Special Election☐ Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-10-De
10-17-96 through 11-25-96		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	21,536.41	95,481
(b) Total Contribution Refunds (from Line 20(d))	2,000.00	2,000
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	19,536.41	93,481
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	8,906.02	67,739
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	220
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	8,906.02	67,518
8. Cash on Hand at Close of Reporting Period (from Line 27)	36,451.66	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

For further information  
contact:  
Federal Election Commis  
900 E Street, NW  
Washington, DC 20043  
Tel Free 800-424-9530  
Land 202-219-3420I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct  
and complete.

Type or Print Name of Treasurer

Jerald E. Farley

Signature of Treasurer

Jerald E. Farley

Date

12-04-96

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

FEC FOR  
(revised)

## REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

Dec 9 1 38 PM '96

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Friends of Jim McDermott		2. FEC IDENTIFICATION NUMBER C00239061
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. 710 9th Street, S.E.		
CITY, STATE and ZIP CODE Washington D.C. 20003	STATE/DISTRICT Washington/7th	
3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

## 4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☐ Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
☐ July 15 Quarterly Report election on \_\_\_\_\_ in the State of \_\_\_\_\_  
☐ October 15 Quarterly Report ☒ Thirtieth day report following the General Election on  
☐ January 31 Year End Report 11-05-96 in the State of Washington  
☐ July 31 Mid-Year Report (Non-election Year Only) ☐ Termination Report

This report contains  
activity for☐ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
10-17-96 through 11-25-96		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	000.00	29,290.00
(b) Total Contribution Refunds (from Line 20(d))	000.00	000.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	000.00	29,290.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	000.00	14,009.07
(b) Total Offsets to Operating Expenditures (from Line 14)	000.00	000.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	000.00	14,009.07
8. Cash on Hand at Close of Reporting Period (from Line 27)	31,572.32	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	000.00	

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

Type or Print Name of Treasurer

Gerald E. Farley

Signature of Treasurer

Date

12-04-96

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 5437g.

FEC FORM 3

(revised 4/97)

**FEDERAL ELECTION COMMISSION**

999 E Street, N.W.  
Washington, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OCT 13 1997

FEB 9 4 32 PM '93

**FIRST GENERAL COUNSEL'S REPORT**

**SENSITIVE**

MUR: 4678

DATE COMPLAINT FILED: October 2, 1997

DATE OF NOTIFICATION: October 8, 1997

DATE ACTIVATED: November 17, 1997

STAFF MEMBERS: Kamau Philbert  
Eric Brown

COMPLAINANT: Ted Maness, Executive Director  
National Republican Congressional Committee

RESPONDENTS: Friends for Jim McDermott and  
Jerald E. Farley, Treasurer

Friends of Jim McDermott and  
Charles M. Williams, Treasurer

RELEVANT STATUTES: 2 U.S.C. § 434(a)  
2 U.S.C. § 439(a)  
11 C.F.R. § 108.5

INTERNAL REPORTS CHECKED: FEC Disclosure Reports

FEDERAL AGENCIES CHECKED: None

**I. GENERATION OF MATTER**

**A. The Complaint**

This matter was generated by a signed and sworn complaint filed on October 2, 1997 by Ted Maness, Executive Director of the National Republican Congressional Committee, alleging late-filed reports by Representative Jim McDermott's principal campaign committee, Friends for Jim McDermott and Jerald E. Farley, as treasurer (the "Principal Committee"), and an authorized

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committee, Friends of Jim McDermott and Charles M. Williams, as treasurer (the "Authorized Committee").

Jim McDermott won the 1994 General Election in Washington's Seventh Congressional District with 75% of the vote and won the 1996 General Election with 81% of the vote.

The complaint alleges that each committee failed to file its 1997 Mid-Year Report with the Commission and the appropriate State office and that Respondents' failure to send the reports by registered or certified mail or hand deliver them violates the Act and Commission regulations.<sup>1</sup> The complaint also alleges that neither committee filed a 1996 Year End Report with the Washington State Public Disclosure Commission. The complaint requests that the Commission demand that the committees file the reports, that they make appropriate restitution for the filing delay, and that they prove the violations were not knowing and willful.

#### **B. The Response**

On October 31, 1997, Jerald E. Farley, treasurer of the Principal Committee, responded to the complaint on behalf of both committees.<sup>2</sup> Regarding the 1997 Mid-Year Report, Mr. Farley claims that he left the United States on July 16, 1997, for a trip to Australia and New Zealand, taking with him all of the supporting documents from which he could construct the reports. He writes that on July 31, 1997, he FAXed a signed note to the Commission from Australia regarding the 1997 Mid-Year Report. The note was placed on the public record and was included with the complaint. The note states, "FEC Form 3 for each committee for July 31 Mid-

<sup>1</sup> To the extent that the complaint generally asserts that reports must be hand-delivered or sent by registered or certified mail, the complaint is incorrect. Commission regulations provide that the date the Commission considers a report filed is different for different types of mail delivery, including first-class mail. 11 C.F.R. § 104.5(e). Therefore, there is no violation for failing to use any particular means of delivery.

<sup>2</sup> Charles M. Williams, as treasurer of record of the Authorized Committee, was also notified of the complaint.

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Year Reports and amended FEC Form 3 for (1) October Quarterly; (2) 12-Pre-General; and (3) 30-Day Post-General have been mailed from Townsville, Queensland, Australia on this day."<sup>3</sup> The Commission received the note by FAX on July 31, and by mail on August 12, 1997.

Before leaving Australia, Mr. Farley shipped the reports and supporting documentation with other items back to the United States on August 7. On August 22, Mr. Farley arrived back in the United States. Mr. Farley filed the 1997 Mid-Year Reports for the committees on October 3, 1997, after a reporter informed him that the reports were not filed.

After the boxes containing the original documents arrived in the U.S. after a shipping delay, Mr. Farley filed the originals with the Commission and the Washington State Public Disclosure Commission. The reports were originally signed and dated July 30, 1997<sup>4</sup> and were re-signed and dated on October 9, 1997.

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<sup>3</sup> The FAX bears neither a time nor date stamp. The typed date on the FAX is July 31, 1997.

<sup>4</sup> Queensland, Australia, is 16 hours ahead of Washington, DC.

2008040309

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**II. FACTUAL AND LEGAL ANALYSIS**

Accordingly, based on the Factual and Legal Analysis, Attachment 1, this Office recommends that the Commission find reason to believe that Friends for Jim McDermott and Jerald E. Farley, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a).

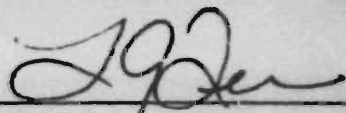
**III. DISCUSSION OF CONCILIATION AGREEMENT AND CIVIL PENALTY**

IV. **RECOMMENDATIONS**

1. Find reason to believe that Friends for Jim McDermott and Jerald E. Farley, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a).
2. Enter into conciliation prior to a finding of probable cause to believe with Friends for Jim McDermott and Jerald E. Farley, as treasurer.
3. Approve the attached Factual and Legal Analysis, Conciliation Agreement, and the appropriate letter.

Lawrence M. Noble  
General Counsel

2/9/98  
\_\_\_\_\_  
Date

BY:   
\_\_\_\_\_  
Lois G. Lerner  
Associate General Counsel

Attachments:

1. Factual and Legal Analysis
2. Proposed Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Friends For Jim McDermott and  
Jerald E. Farley, Treasurer;

Friends of Jim McDermott and  
Charles M. Williams.

)  
)  
) MUR 4678  
)  
)  
)

AMENDED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 13, 1998, the Commission decided by a vote of 5-0 to take the following actions in MUR 4678:

1. Find reason to believe that Friends for Jim McDermott and Jerald E. Farley, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a).
2. Enter into conciliation prior to a finding of probable cause to believe with Friends for Jim McDermott and Jerald E. Farley, as treasurer.
3. Approve the Factual and Legal Analysis, Conciliation Agreement, and the appropriate letter, as recommended in the General Counsel's Report dated February 9, 1998.

(continued)



Federal Election Commission  
Certification for MUR 4678  
February 13, 1998

Page 2

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

Attest:

2/23/98  
Date

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

Received in the Secretariat: Mon., Feb. 09, 1998 2:55 p.m.  
Circulated to the Commission: Tues., Feb. 10, 1998 11:00 a.m.  
Deadline for vote: Fri., Feb. 13, 1998 4:00 p.m.

lrd

98043893886



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 23, 1998

Jerald E. Farley, Treasurer  
Friends for Jim McDermott  
P. O. Box 21786  
Seattle, WA 98111

RE: MUR 4678  
Friends for Jim McDermott and  
Jerald E. Farley, as treasurer

Dear Mr. Farley:

On October 8, 1997, the Federal Election Commission notified Friends for Jim McDermott ("Committee") and you, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on February 13, 1998, found that there is reason to believe Friends for Jim McDermott and you, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a), provisions of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of receipt of this letter. Where appropriate, statements should be submitted under oath.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

98043323887

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Eric Brown, the staff member assigned to this matter, at (202) 219-3400.

Sincerely,

*Joan D. Aikens*

Joan D. Aikens  
Chairman

Enclosures

Designation of Counsel Form  
Factual and Legal Analysis  
Conciliation Agreement

cc: The Honorable James McDermott

98043833

**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:**

**MUR: 4678**

**Friends for Jim McDermott and  
Jerald E. Farley, as treasurer**

**I. GENERATION OF MATTER**

This matter was generated by a signed and sworn complaint filed on October 2, 1997 by Ted Maness, Executive Director of the National Republican Congressional Committee, alleging late-filed reports by Representative Jim McDermott's principal campaign committee, Friends for Jim McDermott and Jerald E. Farley, as treasurer (the "Committee"), and an authorized committee, Friends of Jim McDermott and Charles M. Williams, as treasurer.

**II. FACTUAL AND LEGAL ANALYSIS**

**A. Applicable Law**

The Federal Election Campaign Act of 1971, as amended (the "Act"), requires that, in other than an election year, a principal campaign committee's treasurer shall file, by no later than July 31, a report covering the period beginning January 1 and ending on June 30. 2 U.S.C. § 434(a)(2)(B)(i). The treasurer shall also file a report covering the second half of the year no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(2)(B)(ii).

In an election year, the Act requires the treasurer of a principal campaign committee to file a pre-primary report, due no later than the twelfth day before the primary election. 2 U.S.C. § 434(a)(2)(A)(i). Additionally, the treasurer shall file quarterly reports no later than the fifteenth day after the last day of each quarter, and the last quarterly report for the election cycle

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covers the period ending on December 31 and must be filed by no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(2)(A)(iii).

The Act requires that a copy of each authorized committee's required report be filed with the Secretary of State of the State in which the candidate seeks election. 2 U.S.C. § 439(a)(1), (2)(B). Copies of reports required to be filed with the State shall be filed with the State at the same time as the original report is filed. 11 C.F.R. § 108.5.

Section 432(f) of the Act requires that authorized committees file their reports with the candidate's principal campaign committee and that the principal campaign committee shall receive, compile, and file such reports in accordance with the Act. The principal campaign committee files these reports along with its own reports with the Commission and the appropriate State officer. *Id.*

#### B. Facts

During the 1995-1996 election cycle and the 1997-1998 election cycle to date, the Committee failed to timely file six reports required by the Act. The 1995 Mid-Year Report was due on July 31, 1995. The Committee filed this report on September 11, 1995, 42 days late, disclosing combined receipts of \$49,454 and disbursements of \$21,745.<sup>1</sup>

The 1995 Year End Report was due on January 31, 1996. The Committee filed this report on February 21, 1996, 21 days late, disclosing combined receipts of \$31,929 and disbursements of \$10,052. The Washington State Public Disclosure Commission received a copy of the Committee's 1995 Year End Report on February 20, 1996.

<sup>1</sup> These combined receipts and disbursements constitute the activity of both the principal campaign committee and the authorized committee.

The 1996 October Quarterly Report was due on October 15, 1996. The Committee filed this report on October 30, 1996, 15 days late, disclosing combined receipts of \$4,290 and disbursements of \$18,286.

The 1996 12 Day Pre-General Report was due on October 24, 1996. The Committee filed this report on October 30, 1996, 6 days late, disclosing combined receipts of \$10,797 and disbursements of \$27,457. The Washington State Public Disclosure Commission received a copy of the Committee's 1996 12 Day Report on October 24, 1996.

The 1996 Year End Report was due January 31, 1997. The Committee filed this report on February 25, 1997, 25 days late, disclosing no receipts and combined disbursements of \$678. The Washington State Public Disclosure Commission received a copy of the Committee's 1996 Year End Report on February 21, 1997.

The 1997 Mid-Year Report was due on July 31, 1997. The Committee filed this report on October 3, 1997, 64 days late, disclosing combined receipts of \$54,894 and disbursements of \$21,773. The Washington State Public Disclosure Commission also received a copy of the Committee's 1997 Mid-Year Report on October 3, 1997.

Based on the foregoing, there is reason to believe that Friends for Jim McDermott and Jerald E. Farley, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii) and 439(a).<sup>2</sup>

<sup>2</sup> The complaint contains an additional allegation that the Committee's failure to send the reports by registered or certified mail or hand deliver them violates the Act and Commission regulations. To the extent that the complaint generally asserts that reports must be hand-delivered or sent by registered or certified mail, the complaint is incorrect. Commission regulations provide that the date the Commission considers a report filed is different for different types of mail delivery, including first class mail. 11 C.F.R. § 104.5(e). Therefore, there is no violation for failing to use any particular means of delivery.

SENT BY:

3-25-98 ; 1:35PM ;

MCDERMOTT

202 434 1690:# 2/ 2

MAR 25 3 24 PM '98

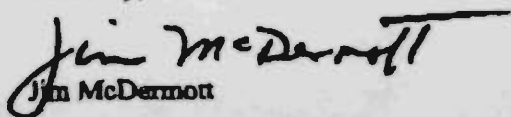
March 24, 1998

Federal Election Commission  
Washington, D.C. 20463

Dear Sir:

Friends of Jim McDermott has designated Bob Bauer as counsel in the proceedings related to MUR 4678. Mr. Bauer is authorized to represent me in all matters related to this case.

Sincerely,

  
Jim McDermott

9804389382



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 25, 1998

Bill Dubay, Treasurer  
Friends for Jim McDermott  
P. O. Box 21786  
Seattle, WA 98111

RE: MUR 4678  
Friends for Jim McDermott and  
Bill Dubay, as treasurer

Dear Mr. Dubay:

On February 23, 1998, Friends for Jim McDermott and its treasurer (the "Committee") was notified that the Federal Election Commission determined to enter into negotiations directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date the Committee was sent a conciliation agreement offered by the Commission in settlement of this matter.

Please note that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. To date, you have not responded to the proposed agreement. The 30 day period for negotiations has almost expired. Unless we receive a response from you within five days, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

Should you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in dark ink, appearing to read "Eric S. Brown", is written above the typed name.

Eric S. Brown  
Paralegal Specialist

cc: The Honorable James McDermott





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**VIA FACSIMILE AND FIRST CLASS MAIL**  
**(202) 434-1690**

April 14, 1998

Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Perkins Coie LLP  
607 Fourteenth St., N.W.  
Washington, DC 20005-2011

RE: MUR 4678  
Friends for Jim McDermott and  
Bill Dubay, as treasurer

Dear Mr. Bauer and Ms. Neville:

On March 25, 1998, this Office notified Friends for Jim McDermott and Bill Dubay, as treasurer (the "Committee"), that unless this Office received a response to the Commission's February 23, 1998 proposed conciliation agreement within five days, pre-probable cause conciliation would terminate, and we would proceed to the next stage of the enforcement process.

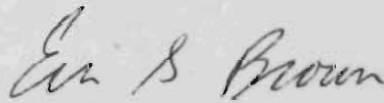
In a telephone message on that date after the above letter was sent, Mr. Bauer advised that the Committee desired to pursue pre-probable cause conciliation. In a March 27, 1998, telephone conversation, Ms. Neville also informed me that the Committee wanted to settle. I told her that, pursuant to the March 25th reminder letter sent to the Committee, a response was requested within five days. On April 3, Ms. Neville left a message stating that a person she needed to talk to at the Committee was out of town, and that she would get back to me on Monday, April 6.

98043893894

Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Page 2

As of today, we have not been provided with a formal response to the Commission's proposed agreement. Therefore, unless a response is received by the close of business on April 16, 1998, this Office will conclude that your clients no longer intend to engage in pre-probable cause conciliation and this Office will proceed to the next stage of the enforcement process.

Sincerely,



Eric S. Brown  
Paralegal Specialist

98043893895

FEDERAL ELECTION COMMISSION

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

In the Matter of )

) MUR 4678

APR 23 12 00 PM '98

Friends for Jim McDermott and )  
Bill Dubay, as treasurer )

**SENSITIVE**

GENERAL COUNSEL'S REPORT

On February 13, 1998, the Commission found reason to believe that Friends for Jim McDermott and Jerald E. Farley,<sup>1</sup> as treasurer, (the "Committee") violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a) by failing to timely file six reports: the 1995 Mid-Year Report, 1995 Year End Report, 1996 October Quarterly Report, 1996 12 Day Pre-General Report, the 1996 Year End Report, and the 1997 Mid-Year Report. The Commission also offered the Committee pre-probable cause conciliation.

On February 23, 1998, this Office sent the reason-to-believe notice and the Commission's pre-probable cause conciliation offer to the Committee. After not receiving a response, on March 25, 1998, shortly before the end of the thirty day period for pre-probable cause conciliation, this Office notified the Committee that unless a response was received within five days, the pre-probable cause conciliation period would be considered terminated and this Office would proceed to the next stage of the enforcement process. Attachment 1. The same day, the Committee designated counsel, who informed this Office by telephone that the Committee wished to settle the matter and that a formal response would be forthcoming. In a telephone message on April 3, a representative of counsel's office informed this Office that she would call on or after April 6 with the status of her response. This Office did not receive a call from her.

<sup>1</sup> On March 5, 1998, Friends for Jim McDermott filed an Amended Statement of Organization naming Bill Dubay as treasurer.

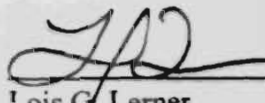
On April 14, 1998, this Office informed the Committee that unless a response was received by the close of business on April 16, 1998, this Office would conclude that the Committee no longer intended to engage in pre-probable cause conciliation. Attachment 2. No response was received. Therefore, this Office is moving on to the next stage of the enforcement process.

Lawrence M. Noble  
General Counsel

Date

4/22/98

BY:



Lois G. Lerner  
Associate General Counsel

Attachments

1. OGC Letter dated March 25, 1998
2. OGC Letter dated April 14, 1998

Staff Assigned:      Kamau Philbert  
                             Eric Brown

98043893897





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

APR 28 9 46 AM '98

April 28, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**SENSITIVE**

Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Perkins Coie LLP  
607 Fourteenth St., N.W.  
Washington, DC 20005-2011

RE: MUR 4678  
Friends for Jim McDermott and  
Bill Dubay, as treasurer

Dear Mr. Bauer and Ms. Neville:

Based on a complaint filed with the Federal Election Commission on October 2, 1997, the Commission, on February 13, 1998, found that there was reason to believe Friends for Jim McDermott and its treasurer (the "Committee") violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a), and offered to enter into negotiations prior to a finding of probable cause to believe. In light of your failure to respond to this offer, this Office has moved on to the briefing stage.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

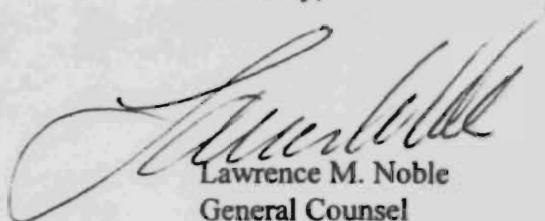
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Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Page 2

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days. A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Eric Brown, the staff member assigned to this matter, at (202) 694-1650.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Brief

98043893899

98043393900

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of

)

MUR 4678

Friends for Jim McDermott and

)

Bill Dubay, as treasurer

)

**GENERAL COUNSEL'S BRIEF**

**I. STATEMENT OF THE CASE**

This matter was generated by a signed and sworn complaint filed on October 2, 1997 by Ted Maness, Executive Director of the National Republican Congressional Committee, alleging late-filed reports by Representative Jim McDermott's principal campaign committee, Friends for Jim McDermott and its treasurer (the "Committee"), and an authorized committee, Friends of Jim McDermott and Charles M. Williams, as treasurer. The Commission found reason to believe that the Committee violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii) and 439(a).<sup>1</sup> In this brief, the General Counsel sets forth the legal and factual issues in this matter, and provides a recommendation regarding whether there is probable cause to believe a violation has occurred. See 11 C.F.R. § 111.16(a).

**II. THE LAW**

The Federal Election Campaign Act of 1971, as amended (the "Act"), requires that, in other than an election year, a principal campaign committee's treasurer shall file, by no later than July 31, a report covering the period beginning January 1 and ending on June 30. 2 U.S.C. § 434(a)(2)(B)(i). The treasurer shall also file a report covering the second half of the year no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(2)(B)(ii).

<sup>1</sup> At the time of the activity and the Commission's findings, Jerald E. Farley was treasurer of the Committee. On March 5, 1998, the Committee amended its Statement of Organization to name Bill Dubay as treasurer.

In an election year, the Act requires the treasurer of a principal campaign committee to file a pre-primary report, due no later than the twelfth day before the primary election. 2 U.S.C. § 434(a)(2)(A)(i). Additionally, the treasurer shall file quarterly reports no later than the fifteenth day after the last day of each quarter, and the last quarterly report for the election cycle covers the period ending on December 31 and must be filed by no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(2)(A)(iii).

The Act requires that a copy of each authorized committee's required report be filed with the Secretary of State of the State in which the candidate seeks election. 2 U.S.C. § 439(a)(1), (2)(B). Copies of reports required to be filed with the State shall be filed with the State at the same time as the original report is filed. 11 C.F.R. § 108.5.

Section 432(f) of the Act requires that authorized committees file their reports with the candidate's principal campaign committee and that the principal campaign committee shall receive, compile, and file such reports in accordance with the Act. The principal campaign committee files these reports along with its own reports with the Commission and the appropriate State officer. Id.

### III. THE FACTS

During the 1995-1996 election cycle and the 1997-1998 election cycle to date, the Committee failed to timely file six reports required by the Act. The 1995 Mid-Year Report was due on July 31, 1995. The Committee filed this report on September 11, 1995, 42 days late, disclosing combined receipts of \$49,454 and disbursements of \$21,745.<sup>2</sup>

<sup>2</sup> These combined receipts and disbursements constitute the activity of both the principal campaign committee and the authorized committee.



The 1995 Year End Report was due on January 31, 1996. The Committee filed this report on February 21, 1996, 21 days late, disclosing combined receipts of \$31,929 and disbursements of \$10,052. The Washington State Public Disclosure Commission received a copy of the Committee's 1995 Year End Report on February 20, 1996.

The 1996 October Quarterly Report was due on October 15, 1996. The Committee filed this report on October 30, 1996, 15 days late, disclosing combined receipts of \$4,290 and disbursements of \$18,286.

The 1996 12 Day Pre-General Report was due on October 24, 1996. The Committee filed this report on October 30, 1996, 6 days late, disclosing combined receipts of \$10,797 and disbursements of \$27,457. The Washington State Public Disclosure Commission received a copy of the Committee's 1996 12 Day Report on October 24, 1996.

The 1996 Year End Report was due January 31, 1997. The Committee filed this report on February 25, 1997, 25 days late, disclosing no receipts and combined disbursements of \$678. The Washington State Public Disclosure Commission received a copy of the Committee's 1996 Year End Report on February 21, 1997.

The 1997 Mid-Year Report was due on July 31, 1997. The Committee filed this report on October 3, 1997, 64 days late, disclosing combined receipts of \$54,894 and disbursements of \$21,773. The Washington State Public Disclosure Commission also received a copy of the Committee's 1997 Mid-Year Report on October 3, 1997.

#### IV. THE ANALYSIS

Based on the foregoing legal and factual information, there is probable cause to believe that by failing to timely file the above-referenced reports, Friends for Jim McDermott and Bill

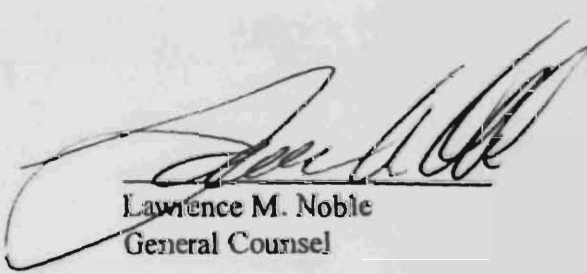
Dubay, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii) and 439(a). Therefore, this Office recommends that the Commission find probable cause to believe that Friends for Jim McDermott and Bill Dubay, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii) and 439(a).

**III. GENERAL COUNSEL'S RECOMMENDATION**

Find probable cause to believe that Friends for Jim McDermott and Bill Dubay, as treasurer, violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii) and 439(a).

Date

4/27/98

  
Lawrence M. Noble  
General Counsel

98043893903

# PERKINS COIE LLP

607 FOURTEENTH STREET, N.W. WASHINGTON, D.C. 20005-2011

TELEPHONE: 202 628-6600 FACSIMILE: 202 434-1690

May 22, 1998

Lawrence Noble, Esq.  
Federal Election Commission  
999 E Street, N.W.  
6th Floor  
Washington, DC 20463

**Re: MUR 4678**  
**Friends for Jim McDermott**

Dear Mr. Noble:

This letter is in response to your letter of April 28, 1998 in which you offer Friends for Jim McDermott ("the Committee") the opportunity to file a brief responding to the issues of the above referenced Matter Under Review and to the General Counsel's brief.

The Committee's position has not changed since our letter of April 16, 1998 to Eric Brown of your office. Enclosed, please find a copy of our April 16th letter, which Mr. Brown reports did not reach your office when we originally sent it, despite our facsimile transmission report.

In our April 16 letter, we stated, "the Committee does not dispute the basic facts in this case. The problems arose due to staff confusion, inadvertent errors and logistical complications, but the Committee has a new treasurer and measures have been implemented to ensure these circumstances will not reoccur. Congressman McDermott has an excellent reputation, and we believe this incident needs to be put in the context of an otherwise unblemished ten-year record of compliance."

As you can see from our letter, the Committee would like to settle this matter and save all parties the time of submitting a formal brief.

[28562-0001/DA981340.051]

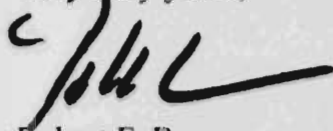
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COMMISSION  
MAY 26 2 16 PM '98  
ACCOUNTING OFFICE

9804362904

May 22, 1998  
Page 2

Please feel free to contact me at your earliest convenience about this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Bauer', with a stylized flourish at the end.

Robert F. Bauer  
Counsel to Friends for Jim McDermott

98043893905



\*\*\* TRANSMISSION REPORT \*\*\*

PRINT TIME 04/16 '98 17:28 ID: PERKINS &amp; COIE

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\*\*\* POSSIBLE ERROR CALL REMOTE \*\*\*

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COPY GROUP No.

CONFIDENTIAL

PRIVILEGED

PERKINS COIE LLP - WASHINGTON, D.C.

FAX NUMBER: (202) 434-1690

IF THERE ARE PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL:

(202) 628-6600

ADDRESSEE Federal Election Commission  
(COMPANY)

Fax No. 219-3923

Eric Brown  
(INDIVIDUAL)

Direct Dial 219-3690FROM Robert F. BauerDate April 16, 1998Pages (including Cover Sheet) 2Client Number 28562-0001Return to Christine C. Neville/ 1658 / 8

NAME

EXT.

OFFICE LOCATION

MESSAGE:

**PERKINS COIE LLP**

607 FOURTEENTH STREET, N.W. · WASHINGTON, D.C. 20005-2011  
TELEPHONE: 202 628-6600 · FACSIMILE: 202 434-1690

April 16, 1998

Mr. Eric S. Brown  
Paralegal Specialist  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

Re: **MUR 4678**  
**Friends for Jim McDermott**

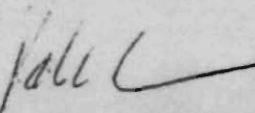
Dear Mr. Brown:

On behalf of my client, Friends for Jim McDermott, I am writing concerning the above referenced Matter Under Review.

The Committee does not dispute the basic facts in this case. The problems arose due to staff confusion, inadvertant errors and logistical complications, but the Committee has a new treasurer and measures have been implemented to ensure these circumstances will not reoccur. Congressman McDermott has an excellent reputation, and we believe this incident needs to be put the context of an otherwise unblemished ten-year record of compliance.

The Committee would like to settle this matter tomorrow, if this is acceptable to the Commission. Please feel free to contact me at your earliest convenience.

Very truly yours,



**Robert F. Bauer**  
Counsel to Friends for Jim McDermott

[28562-0001/DA981060.030]

98043893907



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 28, 1998

**TWO WAY MEMORANDUM**

TO: OGC Docket

FROM: Rosa E. Swinton *RES*  
Accounting Technician

SUBJECT: Account Determination for Funds Received

We recently received a check from **Friends for Jim Dermott**, check number **2005**, dated **May 22, 1998**, for the amount of **4,000.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

=====

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

FROM: OGC Docket

SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 4,000.00, the MUR/Case number is 4678 and in the name of Friends of Jim Dermott. Place this deposit in the account indicated below:

- ☒ Budget Clearing Account (OGC), 95F3875.16
- ☐ Civil Penalties Account, 95-1099.160
- ☐ Other: \_\_\_\_\_

*Retha L. Alizon*  
Signature

5-28-98  
Date

98043893908

MAY 29 10 35 AM '98

PERKINS COIE LLP

607 FOURTEENTH STREET, N.W. · WASHINGTON, D.C. 20005-2011

TELEPHONE: 202 628-6600 · FACSIMILE: 202 434-1690

June 11, 1998

**VIA FIRST CLASS MAIL**

Mr. Eric S. Brown  
Paralegal Specialist  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

**Re: MUR 4678**  
**Friends for Jim McDermott**

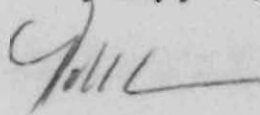
Dear Mr. Brown:

On behalf of my client, Friends for Jim McDermott, I am enclosing a signed Conciliation Agreement which was sent to your office via facsimile on June 10, 1998.

The Committee will forward the remaining payment to your office in the near future.

If you have any questions, please do not hesitate to contact me.

Very truly yours,



Robert F. Bauer  
Counsel to Friends for Jim McDermott

RFB:ccn

[28562-0001/DA981620.051]

ANCHORAGE BELLEVUE DENVER HONG KONG LONDON LOS ANGELES PORTLAND SEATTLE SPOKANE TAIPEI WASHINGTON, D.C.

STRATEGIC ALLIANCE: RUSSELL & DU MOULIN, VANCOUVER, CANADA

JUN 15 3 16 PM '98



**Jim  
McDERMOTT**

*Congress*  
DEMOCRAT

RECEIVED  
FEDERAL ELECTION  
COMMISSION MAIL ROOM

JUN 18 11 18 AM '98

June 15, 1998

Federal Elections Commission  
999 E St. , NW  
Washington, DC 20463

RE: Account No. C00223073

Ladies and Gentlemen:

Enclosed is our check #2025 in the amount of five hundred dollars (\$500) in payment of additional fine.

Yours truly,

*Bill Dubay*

Bill Dubay  
Campaign Treasurer

Paid for by: Friends for Jim McDermott, Democrat



P.O. Box 21786, Seattle, WA 98111-3786 • (206) 622-6701 • Fax (206) 622-6617



C00223073

FRIENDS FOR JIM MC DERMOTT

CLERKS REG. 125733 FEC REG. C00223073

P. O. BOX 21786

SEATTLE, WA 98111-3786

2025

DATE June 15 1998 <sup>19-57</sup><sub>1250</sub>

PAY  
TO THE  
ORDER OF

Federal Election Commission

\$ 500 <sup>00</sup>

Five hundred and <sup>00</sup>/<sub>100</sub>

DOLLARS



KeyBank of Washington  
Seattle, Washington 98104  
1-800-KEY2YOU

FOR

*Bill Albright*

⑈002025⑈ ⑆125000574⑆ 048 8592 9⑈

98043893911



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 22, 1998

JUN 22 10 24 AM '98

**TWO WAY MEMORANDUM**

TO: OGC Docket  
FROM: Rosa E. Swinton  
Accounting Technician  
SUBJECT: Account Determination for Funds Received

We recently received a check from **Friends for Jim Mc Dermott**, check number **2025**, dated **June 15, 1998**, for the amount of, **500.00**. A copy of the check and any correspondence is being forwarded. Please indicate below which a account the funds should be deposited and give the MUR/Case number and name associated with the deposit.

-----  
TO: Rosa E. Swinton  
Accounting Technician  
FROM: OGC Docket  
SUBJECT: Disposition of Funds Received

In reference to the above check in the amount of \$ 500.00, the MUR/Case number is 4678 and in the name of Friends of Jim McDermott. Place this deposit in the account indicated below:

- ☒ Budget Clearing Account (OGC), 95F3875.16  
☐ Civil Penalties Account, 95-1099.160  
☐ Other: \_\_\_\_\_

Jim McDermott  
Signature

6-22-98  
Date

98043893912

JUN 19 11 53 AM '98

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Friends for Jim McDermott and ) MUR 4678  
Bill Dubay, as treasurer )

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by a signed and sworn complaint filed on October 2, 1997 by Ted Maness, Executive Director of the National Republican Congressional Committee, alleging late-filed reports by Representative Jim McDermott's principal campaign committee, Friends for Jim McDermott and its treasurer (the "Committee"), and an authorized committee, Friends of Jim McDermott and Charles M. Williams, as treasurer. On February 13, 1998, the Commission found reason to believe that the Committee violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii) and 439(a).<sup>1</sup> The Commission also offered to enter into pre-probable cause conciliation with the Committee.

After no response to the Commission's offer was received, this Office notified counsel by letter dated April 14, 1998 that we would consider pre-probable cause conciliation terminated if a response was not received by the close of business on April 16, 1998. After no response to that letter was received, this Office notified the Commission that we would move on to the next stage of the enforcement process. See General Counsel's Report dated April 22, 1998. On April 28,

<sup>1</sup> At the time of the activity and the Commission's findings, Jerald E. Farley was treasurer of the Committee. On March 5, 1998, the Committee amended its Statement of Organization to name Bill Dubay as treasurer.

98043893913



this Office provided to the Committee a General Counsel's Brief recommending that the Commission find probable cause to believe that violations occurred.

On April 29, after receiving the General Counsel's Brief, counsel submitted a facsimile transmission report for an April 16 counteroffer which counsel believed was sent, but which did not reach this Office when it was originally FAXed. Attachment 1. The transmission report is dated April 16, 5:28 p.m., and includes the notation, "POSSIBLE ERROR CALL REMOTE." Counsel also submitted a reply to the General Counsel's Brief on May 22. In the May 22 reply, counsel further cited to the April 16 letter which he resubmitted for our consideration in lieu of a formal reply brief. In the April 16 letter, counsel acknowledged the violations and blames them on "staff confusion, inadvertent errors and logistical complications," which he claimed have been rectified.

## II. DISCUSSION

This Office believes that the circumstances described above warrant an exception to the Commission's policy precluding pre-probable cause conciliation after the General Counsel's Brief has been mailed. Counsel produced evidence that his office attempted to send the counteroffer by the close of business on April 16 as requested in this Office's April 14 letter. Had this Office received the April 16 counteroffer, pre-probable cause conciliation would not have been terminated and a General Counsel's Brief would not have been prepared.

98043893914

98043693915

Therefore, this Office recommends that the Commission accept the attached agreement and close the file in this matter.

**III. RECOMMENDATIONS**

1. Accept the Conciliation Agreement with Friends for Jim McDermott and Bill Dubay, as treasurer.
2. Close the file.


3. Approve the appropriate letter.

Lawrence M. Noble  
General Counsel

Date

6/19/98

BY:

  
Lois G. Lerner  
Associate General Counsel

Attachments

1. April 16, 1998 Facsimile Transmission Report
2. May 22, 1998 Reply
3. Conciliation Agreement

Staff Assigned:

Kamau Philbert  
Eric Brown

98043893916

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Friends for Jim McDermott  
and Bill Dubay, as treasurer.

) MUR 4678  
)  
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 25, 1998 the Commission decided by a vote of 5-0 to take the following actions in MUR 4678:

1. Accept the Conciliation Agreement with Friends for Jim McDermott and Bill Dubay, as treasurer as recommended in the General Counsel's Report dated June 19, 1998.
2. Close the file.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated June 19, 1998.

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

Attest:

6/26/98  
Date

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

Received in the Secretariat: Fri., June 19, 1998 11:53 a.m.  
Circulated to the Commission: Mon., June 22, 1998 11:00 a.m.  
Deadline for vote: Thur., June 25, 1998 4:00 p.m.

vfv

93043893917





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 2, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Ted Maness, Executive Director  
National Republican Congressional Committee  
320 First St., S.E.  
Washington, DC 20003

RE: MUR 4678

Dear Mr. Maness:

This is in reference to the complaint you filed with the Federal Election Commission on October 2, 1997, concerning reports filed late by Friends for Jim McDermott and Friends of Jim McDermott.

The Commission found that there was reason to believe Friends for Jim McDermott and its treasurer violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a), provisions of the Federal Election Campaign Act of 1971, as amended, and conducted an investigation in this matter. On June 25, 1998, a conciliation agreement signed by the respondent was accepted by the Commission. Accordingly, the Commission closed the file in this matter on June 25, 1998. A copy of this agreement is enclosed for your information.

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eric S. Brown", is written above the typed name.

Eric S. Brown  
Paralegal Specialist

Enclosure  
Conciliation Agreement

98043893913



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 2, 1998

Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Perkins Coie LLP  
607 Fourteenth St., N.W.  
Washington, DC 20005-2011

RE: MUR 4678  
Friends for Jim McDermott and  
Bill Dubay, as treasurer  
Friends of Jim McDermott and  
Charles M. Williams, as treasurer

Dear Mr. Bauer and Ms. Neville:

On June 25, 1998, the Federal Election Commission accepted the signed conciliation agreement submitted on behalf of your clients, Friends for Jim McDermott and Bill Dubay, as treasurer, in settlement of violations of 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Commission took no action in this matter regarding Friends of Jim McDermott and Charles M. Williams, as treasurer. Accordingly, the file has been closed in this matter.

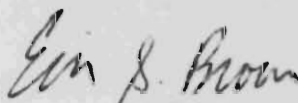
The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any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

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Page 2

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Eric S. Brown  
Paralegal Specialist

Enclosure  
Conciliation Agreement

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**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )  
 ) MUR 4678  
Friends for Jim McDermott and )  
Bill Dubay, Treasurer )

**CONCILIATION AGREEMENT**

This matter was initiated by a signed, sworn, and notarized complaint by Ted Maness.

The Commission found reason to believe that Friends for Jim McDermott and its treasurer, ("Respondents" or "Principal Committee") violated 2 U.S.C. §§ 434(a)(2)(A)(i), 434(a)(2)(A)(iii), 434(a)(2)(B)(i), 434(a)(2)(B)(ii), and 439(a).

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. Respondents enter voluntarily into this agreement with the Commission.

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

1. Friends for Jim McDermott is a principal campaign committee within the meaning of 2 U.S.C. § 431(5).
2. Bill Dubay is the treasurer of Friends for Jim McDermott.

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3. Friends of Jim McDermott is an authorized committee of Jim McDermott within the meaning of 2 U.S.C. § 431(6).
4. Charles M. Williams is the treasurer of Friends of Jim McDermott.
5. The Federal Election Campaign Act of 1971, as amended, ("the Act") requires the treasurer of a principal campaign committee to file a pre-election report, no later than the twelfth day before any election in which the candidate is seeking election, which shall be complete as of the twentieth day before such general election. 2 U.S.C. § 434(a)(2)(A)(i).
6. The Act requires that the treasurer of a principal campaign committee file quarterly reports no later than the fifteenth day after the last day of each quarter, and the last quarterly report for the quarter ending on December 31 shall be filed no later than January 31 of the following year. 2 U.S.C. § 434(a)(2)(A)(iii).
7. The Act requires that in other than an election year, the treasurer of a principal campaign committee shall file a report covering the period beginning January 1 and ending on June 30 by no later than July 31. 2 U.S.C. § 434(a)(2)(B)(i).
8. The Act requires that in other than an election year, the treasurer of a principal campaign committee shall file a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(2)(B)(ii).
9. Authorized committees, other than principal campaign committees, are required to submit their reports to the principal campaign committee. 2 U.S.C.

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§ 432(f)(1). The candidate's principal campaign committee receives, compiles, and files such reports in accordance with the Act. 2 U.S.C. § 432(f)(2).

10. A copy of each authorized committee's required reports must be filed with the Secretary of State of the State in which the candidate seeks election. 2 U.S.C.

§ 439(a)(1), (2)(B). A copy of any report required to be filed with the Secretary of State shall be filed at the same time as the original report is filed. 11 C.F.R. § 108.5.

11. The 1995 Mid-Year Report for both committees was due on July 31, 1995. The Principal Committee filed this report on September 11, 1995, 42 days late, disclosing combined receipts of \$49,454 and disbursements of \$21,745.

12. The 1995 Year End Report for both committees was due on January 31, 1996. The Principal Committee filed this report on February 21, 1996, 21 days late, disclosing combined receipts of \$31,929 and disbursements of \$10,052. The Washington State Public Disclosure Commission received a copy of this report on February 20, 1996.

13. The 1996 October Quarterly Report for both committees was due on October 15, 1996. The Principal Committee filed this report on October 30, 1996, 15 days late, disclosing combined receipts of \$4,290 and disbursements of \$18,286.

14. The 1996 12 Day Pre-General Report for both committees was due on October 24, 1996. The Principal Committee filed this report on October 30, 1996, 6 days late, disclosing combined receipts of \$10,797 and disbursements of \$27,457.

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15. The 1996 Year End Report for both committees was due January 31, 1997. The Principal Committee filed this report on February 25, 1997, 25 days late, disclosing no receipts and combined disbursements of \$678. The Washington State Public Disclosure Commission received a copy of this report on February 21, 1997.

16. The 1997 Mid-Year Report for both committees was due July 31, 1997. The Principal Committee filed this report on October 3, 1997, 64 days late, disclosing combined receipts of \$54,894 and disbursements of \$21,773. The Washington State Public Disclosure Commission received a copy of this report on October 3, 1997.

V. Respondents failed to timely file the 1995 Mid-Year Report in violation of 2 U.S.C. § 434(a)(2)(B)(i); the 1995 Year End Report in violation of 2 U.S.C. § 434(a)(2)(B)(ii) and 439(a); the 1996 October Quarterly Report in violation of 2 U.S.C. § 434(a)(2)(A)(iii); the 1996 12 Day Pre-General Report in violation of 2 U.S.C. § 434(a)(2)(A)(i); the 1996 Year End Report in violation of 2 U.S.C. §§ 434(a)(2)(A)(iii) and 439(a); and the 1997 Mid-Year Report in violation of 2 U.S.C. §§ 434(a)(2)(B)(ii) and 439(a).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Four Thousand Five Hundred dollars (\$4,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof

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has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

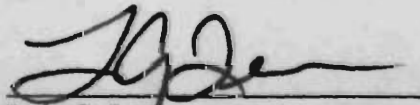
IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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

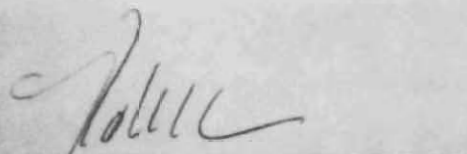
BY:

  
Lois G. Lerner  
Associate General Counsel

Date

7/1/98

FOR THE RESPONDENTS:

  
(Name)  
(Position)

Date

6/10/98

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 467B

DATE FILMED 7/14/98 CAMERA NO. 2

CAMERAMAN EES

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Date: 8/6/98

✓ Microfilm

       Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4678

98043394689



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 3, 1998

Robert F. Bauer, Esq.  
Christine Neville, Esq.  
Perkins Coie LLP  
607 Fourteenth St., N.W.  
Washington, DC 20005-2011

RE: MUR 4678

Dear Mr. Bauer and Ms. Neville:

On June 25, 1998, the Commission accepted a Conciliation Agreement with Friends for Jim McDermott and Bill Dubay, as treasurer, (the "Committee") which included a \$4,500 civil penalty. The Committee submitted Check No. 2005 dated May 22, 1998 for \$4,000, Check No. 2025 dated June 15, 1998 for \$500, and Check No. 2034 dated June 24, 1998 for \$500. Therefore, the Committee overpaid by \$500.

Enclosed please find U.S. Treasury Check No. 3088 23692509 for \$500, a refund of this overpayment. Please feel free to call me at (202) 694-1583 if you have any questions.

Sincerely,

Eric S. Brown



United States Treasury <sup>15-51</sup>000

K 028,849,154

Check No.

07 30 98 95 KANSAS CITY, MO - 3088 23692509  
000000000000 MO FEC 00FEC80261 95350001  
FRIENDS OF JIM MCDERMOTT

Pay to  
the order of

\$\*\*\*\*500\*00

VOID AFTER ONE YEAR



PO NO 8AS100  
PUB VOUCH REFUND

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