



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4729

DATE FILMED 12/2/98 CAMERA NO. 3

CAMERAMAN SES

98043701251

February 22, 1998

RECEIVED
FEDERAL ELECTION
COMMISSION CIVIL RIGHTS

Ms. Rosemary Maldonado
880 59th Street apt. 4F
Brooklyn, NY 11220

MUR 4729

Federal Elections Commission
999 E Street, NW
Washington, DC 20463

Dear Compliance Officers of the Federal Election Commission,

I would like to file a formal complaint with the Federal Election Commission regarding 120 violations of campaign finance law by Friends of Melinda Katz

Improper Disclosure

After reviewing Ms. Katz's FEC reports, it is apparent that she received \$53,693 in illegal campaign contributions

According to FEC Campaign Finance Law, a candidate must form a committee and file with the FEC, before they can raise money for their campaign. This requirement has been in existence since the FEC was established in the wake of Watergate. This disclosure requirement was intended to prevent politicians from abusing campaign contributions and to inform the public about a candidates fundraising practices. Given the fact that Ms. Katz took over six months to file with the FEC, we must ask if she is hiding money or even spending public contributions for personal use. It is appalling that given the current fundraising controversy, Ms. Katz would so blatantly hide the fact that she was raising money from the FEC

I ask you to begin a thorough investigation of the Friends of Melinda Katz campaign. Hiding campaign contributions from the FEC is among the most serious offenses a candidate can commit. Her campaign must be imposed the highest penalty allowed and the funds should be returned

Our society relies on trust of our public officials. How can we trust individuals who violate the rule of law? The evidence mounts that for the Katz fundraising operation, the ends justified the means and no illegal act was sacrificed. A review of her campaign finance records just keeps peeling layer after layer of questionable and unseemly contributions

Ms. Katz received \$53,693 before December 4, 1997 (the date she filed her committees papers with the FEC.) In her year end report, on Pages 1-17 of Schedule A, Itemized

Receipts, every contribution violates Campaign Finance (FEC) law. This tainted money must be returned to the individuals contributing

Soft Money Contributions

Furthermore, Ms. Katz accepted illegal soft money. By doing so Ms. Katz is breaking the law and violating the trust between the public and our elected officials. Illegal soft money undercuts the tenets of our democracy and the principal of one-man vote by giving the privileged an unfair say in the democratic process

Specifically, on at least six occasions Ms. Katz accepted illegal soft money totaling thousands of dollars

5/21/97	Queens County Liberal Party	\$100
10/31/97	Citizens for Lentol	\$100
11/26/97	The Hevesi Committee	\$1000
12/11/97	Nolan for Assembly	\$100
12/30/97	Friends of Charlie King	\$500
12/30/97	Klein for Assembly	\$1000

These are state committees that receive corporate and soft money. According to my research, it is illegal for a congressional campaign to receive money from committees that take corporate or soft money funds

While accepting these donations from soft money committees is an extreme violation of the law, they pale in comparison to the other glaring violations undertaken by the Friends of Melinda Katz. You will notice the first donation listed above was accepted in May of 1997. In addition, there were thousands of dollars in contributions during May. At that point, she was required by law to file her committee with the FEC and disclose her contributions in the mid-year report due in July. However, she did not even file as a committee until December!

I ask that you order Ms. Katz and the Friends of Melinda Katz to return these illegal contributions and find and censure her campaign to ensure that these types of violations will not occur again.

Thank you very much for your attention to my letter. I hope that you will take every measure to make sure that these types of violations never occur again and that the criminals of the Friends of Melinda Katz are punished severely.

Sworn to before me
this 22nd day of February 1998

Blimy Itzkowitz

Blimy Itzkowitz
Notary Public State of NY
No. 24-6778003
Qualified Kings County
Comm. Expires May 31, 1998

Sincerely,

Randy Waldman



FEDERAL ELECTION COMMISSION

Washington, DC 20463

March 18, 1998

Rosemary Maldonado
880 59th Street Apt. 4F
Brooklyn, NY 11220

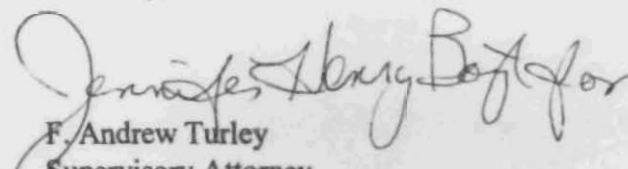
RE: MUR 4729

Dear Ms. Maldonado:

This letter acknowledges receipt on March 6, 1998, 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 4729. 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,


F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Enclosure
Procedures



FEDERAL ELECTION COMMISSION
Washington, DC 20463

March 18, 1998

Ronald A. Kaye, Treasurer
Friends of Melinda Katz
PO Box 831
Forest Hills, NY 11375

RE: MUR 4729

Dear Mr. Kaye:

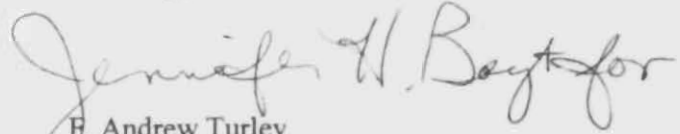
The Federal Election Commission received a complaint which indicates that Friends of Melinda Katz ("Committee") and you, as treasurer, may have violated sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4729. Please refer to this number in all future correspondence.

The complaint was not sent to you earlier due to administrative oversight. 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 Office of the General Counsel, 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 Jennifer H. Boyt at (202) 694-1650. 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
Complaint
Procedures
Designation of Counsel Statement

cc: Melinda R. Katz

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EPSTEIN BECKER & GREEN, P.C.

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

WASHINGTON, D.C. 20037-11561

(202) 861-0900

FAX (202) 296-2882

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(212) 351-4500

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LOS ANGELES, CALIFORNIA 90067-2501
(310) 556-8861

SIX LANDMARK SQUARE
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(203) 348-3737

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(201) 642-1900

75 STATE STREET
BOSTON, MASSACHUSETTS 02109
(617) 342-4000

510 KING STREET, SUITE 301
ALEXANDRIA, VIRGINIA 22314-31321
(703) 684-1204

April 8, 1998

**VIA FACSIMILE &
HAND-DELIVERED**

Jennifer H. Boyt
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W., Room 657
Washington, D.C. 20463

**RE: MUR 4729: RESPONDENT FRIENDS OF MELINDA KATZ AND RONALD
A. KAYE, AS TREASURER**

Dear Ms. Boyt:

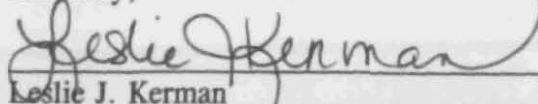
As discussed, we were retained on Monday, April 6, 1998, to represent Friends of Melinda Katz and Ronald A. Kaye, as Treasurer ("Respondent") in the above-referenced matter. In the regard, enclosed please find an executed Statement of Designation of Counsel.

In addition, please be advised that Respondent received the Commission's letter of March 18, 1998, along with the complaint, on March 21, 1998, and thus its response was due to be filed with your office by close-of-business on April 6, 1998.

As also discussed, we respectfully request a twenty-day extension of time, until Monday, April 27, 1998, in which to respond to the instant complaint. This extension-of-time is necessary for us to be able to gather all pertinent information and prepare a full response to the allegations set forth in the complaint.

Thank you for your assistance. If you have any questions, please do not hesitate to contact me at (202) 861-1877.

Sincerely,


Leslie J. Kerman

STATEMENT OF DESIGNATION OF COUNSEL

MUR: 4729

NAME OF COUNSEL: Leslie J. Kerman

ADDRESS: Epstein Becker & Green, P.C.
1227 25th Street, N.W., Suite 700
Washington, D.C. 20037

TELEPHONE: (202) 861-1877

The above-named individual is hereby designated as our counsel and is authorized to receive any notification and other communications from the Commission and to act on our behalf before the Commission.

FRIENDS OF MELINDA KATZ AND
RONALD A. KAYE AS TREASURER

4/6/98
Date

By:

[Signature]
Signature

Name:

Ronald A. Kaye

Title:

Treasurer

RESPONDENT'S NAME: Friends of Melinda Katz and Ronald A. Kaye, as Treasurer

ADDRESS: P.O. Box 831
Forest Hills, New York 11375

HOME PHONE: N/A

BUSINESS PHONE: (718) 793-7741



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 1998

Leslie J. Kerman
Epstein Becker & Green, P.C.
1227 25th Street, NW
Washington, DC 20037-11561

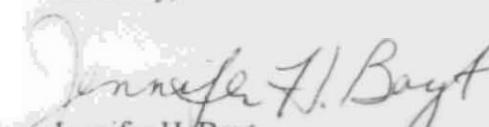
RE: MUR 4729
Friends of Melinda Katz and Ronald A. Kaye, as Treasurer

Dear Ms. Kerman:

This is in response to your letter dated April 8, 1998, which we received on that day, requesting an extension of 20 days until April 27 to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on April 27, 1998.

If you have any questions, please contact me on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 694-1650.

Sincerely,


Jennifer H. Boyt
Paralegal Specialist

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

APR 22 10 00 PM '98

EPSTEIN BECKER & GREEN, P.C.
ATTORNEYS AT LAW

1227 25TH STREET, N.W.

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FAX: (202) 298-2882

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(305) 856-11001 P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY
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(973) 642-190075 STATE STREET
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(703) 684-1204

April 23, 1998

VIA FACSIMILEJennifer H. Boyt
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W., Room 657
Washington, D.C. 20463RE: MUR 4729: RESPONDENT FRIENDS OF MELINDA KATZ AND RONALD
A. KAYE, AS TREASURER

Dear Ms. Boyt:

This is to follow-up on our telephone conversation of this morning regarding the above-referenced matter.

As discussed, we request an additional seven-day extension-of-time until Monday, May 4, 1998 in which to respond to the instant complaint. This extension-of-time is necessary for us to be able to finish gathering all pertinent information and prepare a full response to the allegations set forth in the complaint.

Thank you for your assistance. If you have any questions, please do not hesitate to contact me at (202) 861-1877.

Sincerely,


Leslie J. Kerman



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 24, 1998

Leslie J. Kerman, Esq.
Epstein, Becker & Green, P.C.
1227 25th Street, NW
Washington, DC 20037-2882

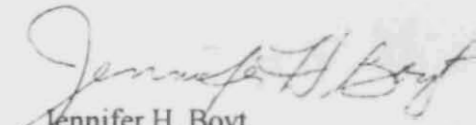
RE: MUR 4729

Dear Ms. Kerman:

This is in response to your letter dated April 23, 1998, which we received on April 23, 1998, requesting an additional extension of 7 days until May 4 to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on May 4, 1998.

If you have any questions, please contact me on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 694-1650.

Sincerely,


Jennifer H. Boyt
Paralegal Specialist

90043701271

EPSTEIN BECKER & GREEN, P.C.

ATTORNEYS AT LAW

1227 25TH STREET, N.W.

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510 KING STREET, SUITE 301
ALEXANDRIA, VIRGINIA 22314-3132
(703) 684-1204

May 11, 1998

HAND-DELIVERED

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W., Room 657
Washington, D.C. 20463

**RE: MUR 4729: FRIENDS OF MELINDA KATZ AND RONALD A. KAYE, AS
TREASURER**

Dear Mr. Turley:

This responds to the meritless complaint filed against Friends of Melinda Katz ("the Committee") and Ronald A. Kaye, as treasurer, by Rosemary Maidonado ("the Complainant"). The Complainant alleges that the Committee violated federal election laws because it purportedly received \$53,693 in contributions prior to filing a Statement of Organization with the Federal Election Commission ("FEC"). The Complainant further alleges that the Committee received six "illegal soft money" contributions.

As detailed below, the Complainant's allegations of election law violations by the Committee are totally unfounded. Rather than reflecting improper activity by the Committee, the allegations reflect a lack of understanding by the Complainant of FEC regulations and requirements concerning "testing-the-waters" funds and the receipt of contributions from "unregistered organizations."

I. TESTING-THE-WATERS FUNDS

From May through November of 1997, New York State Assemblywoman Melinda Katz

engaged in "testing-the-waters" activities, designed to explore the feasibility of a congressional candidacy in the Ninth Congressional District in New York. This seat currently is held by Congressman Charles "Chuck" Schumer. An exploratory committee, named "Friends of Melinda Katz," also was organized in May, 1997 to engage in "testing-the-waters" activities.¹

During the May through November, 1997 exploratory period, the Committee raised approximately \$47,500.² Importantly, the Committee did not raise funds during this period in excess of what it reasonably expected to need for exploratory activities (including determining whether a Katz candidacy would be financially viable). Moreover, by raising about \$47,500, the Committee certainly was not amassing a large campaign war chest (particularly since many political observers believe that the Democratic primary in the New York Ninth Congressional District will be among the most expensive campaigns in the country this year). Also note that when raising funds, Assemblywoman Katz and the Committee emphasized that this was an exploratory effort, and that Assemblywoman Katz had not decided whether or not to run for Congress. See Attachment A (form thank-you letter from Assemblywoman Katz to Committee contributor).

At the end of 1997, Assemblywoman Katz decided to run for Congress and filed a Statement of Candidacy with the FEC. The Statement was dated November 24, 1997 and received by the FEC on December 2, 1997. On December 10, 1997, the Commission received the Committee's Statement of Organization. The Committee's first report -- the 1997 Year-End Report -- covered the period of May 15, 1997 through December 31, 1997, and included all "testing-the-waters" receipts and disbursements.

As you are aware, an individual and/or political committee that is engaging solely in "testing-the-waters" activities is not required to register with the FEC. See FEC Campaign Guide for Congressional Candidates and Committees (Dec., 1995) ("FEC Guide") at pages 64-65. If, and only if, the individual decides to become a candidate, then the individual registers as a candidate with the FEC and his/her principal campaign committee registers and files periodic disclosure reports with the Commission. Id. Any monies raised and spent for "testing-the-waters" are disclosed on the first report filed by the principal campaign committee. Id.

¹Please note that Assemblywoman Katz did not make any statements referring to herself as a candidate for Congress, or authorize any person to make any statements referring to her as a candidate, during this exploratory period. Moreover, the Complainant does not allege that any such statements were made by Assemblywoman Katz and/or the Committee.

²Complainant alleges that the Committee received \$53,693 from May 1, 1997 through December 4, 1997. This amount is inaccurate.

F. Andrew Turley
May 11, 1998
Page 3

As outlined above, the Committee's receipt and disclosure of funds raised during the May through November, 1997 exploratory period complied with the pertinent FEC requirements and guidelines. The Complainant's allegation that the Committee violated federal election laws by receiving funds prior to filing with the FEC simply ignores the Commission's "testing-the-waters" regulations and guidelines. Accordingly, this allegation is without merit.

II. RECEIPTS FROM UNREGISTERED ORGANIZATIONS

The Complainant also alleges that the Committee accepted six "illegal soft money" contributions. This allegation is erroneous. The Committee may accept a contribution(s) of up to \$1,000 per election from an unregistered organization, such as state or local political committee, as long as the organization has sufficient federally-acceptable funds to cover the amount of the contribution(s) at the time it is made. See 11 C.F.R. § 110.1(a) and § 102.5(b). Also, See FEC Guide at page 21.

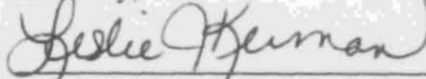
Upon receiving this complaint, the Committee contacted all six contributors disclosed on Line 11(b) of the Committee's 1997 Year-End Report. Four of the six contributors -- Klein for Assembly, Nolan for Assembly, Citizens for Lentol and the Hevesi Committee -- forwarded letters to the Committee, confirming that at the time they contributed to the Committee there were sufficient federally-acceptable funds in their accounts. See Attachments B-E. Another contributor -- Friends of Charlie King -- confirmed this fact orally with the Committee. Finally, the Committee believes that the sixth contributor -- the Queens County Liberal Party ("the Party") -- had sufficient federally-acceptable funds in its account at the time it made a \$100 contribution to the Committee. However, because this has not been confirmed by the Party, the Committee is refunding the \$100 contribution to the Party.

* * * * *

Accordingly, for the reasons discussed above, the Committee requests that the FEC vote to find no reason-to-believe that it violated federal election laws in connection with the instant matter.

Please do not hesitate to contact me at (202) 861-1877 if you have any questions or need further information.

Sincerely,



Leslie J. Kerman

Attachments (5)

ATTACHMENT A

Month, Date, 1997

Name

Address

City/State/Zip

Dear First Name:

Thank you so much for your contribution to my exploratory committee.

I'm excited about the chance to run for Congress. It's an opportunity for me to accomplish even more on the issues I care about—from health care to education to criminal justice. And it's an opportunity, especially here in New York City, that doesn't come along very often.

Whatever I decide to do, it means a lot to me knowing that I can count on help from friends like you. Thanks again for your early support and encouragement.

Sincerely,

Klein for Assembly

2005 Hone Avenue
Bronx, New York 10461

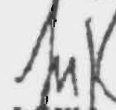
April 23, 1998

Melanie Breen
Friends of Melinda Katz
Post Office Box 831
Forest Hills, New York 11375

Dear Melanie:

I am contacting you in order to assure you that the \$1,000 donation that I made to Melinda Katz' primary campaign consisted completely of federally qualified funds. If you have any further questions please don't hesitate to contact my office.

Sincerely,



Jeff Klein
Member of Assembly

9 3 3 4 3 2 0 1 2 2 6

NOLAN for Assembly

Barbara A. Primocch, Treasurer - 1882 Hart St. Ridgewood, NY 11385

April 21, 1998

Mr. Ron KAYE, Treasurer
Friends of MELINDA KATZ
96-21 69TH AVE
Forest Hills, NY 11375

Dear Mr. Kaye:

This Letter is to confirm that at the time Nolan for Assembly made its contribution to "Friends of Melinda KATZ." There were thousands of dollars in contributions from individuals on Nolan for Assembly account which would qualify as permissible contributions for Federal races under Federal regulations.

Please feel free to contact me if you have any questions or if you need additional information from the Committee.

Sincerely,

Barbara Primocch, Treas.
Nolan for Assembly

ATTACHMENT D

Citizens For Lento!
c/o Teresa Polonski
112 Bedford Avenue
Brooklyn, NY 11211

April 23, 1998

Mr. Ron Kaye, Treasurer
Friends of Melinda Katz
96-21 65th Avenue
Forest Hills, NY 11375

Dear Mr. Kaye:

This letter is to confirm that at the time Citizens for Lento! made its contribution to "Friends of Melinda Katz" there were thousands of dollars in contributions from individuals in the Citizens for Lento! account which would qualify as permissible contributions for Federal races under Federal regulations.

Please feel free to contact me if you have any questions or if you need additional information from the committee.

Sincerely,

Teresa Polonski
Teresa Polonski
Treasurer

98043201273

THE HEVESI COMMITTEE

c/o Mendel & Garfield Bldg. 412 Park Avenue South Suite 1800 New York, NY 10016
Ph: 212-696-8300 Fax: 212-696-8147

April 8, 1998

Mr. Ronald Kaye
Treasurer
Friends of Melinda Katz
96-21 60th Avenue
Forest Hills, NY 11375

Dear Mr. Kaye,

This letter is to confirm that at the time "The Hevesi Committee" made its contribution to "Friends of Melinda Katz" there were thousands of dollars in contributions from individuals in "The Hevesi Committee" account -- funds that would be permissible for a federal candidate.

Please feel free to contact me if you have any questions or if you need additional information from the committee.

Sincerely,

Marc Sloane

Marc Sloane
Treasurer

93043701279

BEFORE THE FEDERAL ELECTION COMMISSION

OCT 21 3 46 AM '98

In the Matter of

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)
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)

CASE CLOSURES UNDER
ENFORCEMENT PRIORITY

SENSITIVE

GENERAL COUNSEL'S REPORT

I. INTRODUCTION.

The cases listed below have been identified as either stale or of low priority based upon evaluation under the Enforcement Priority System (EPS). This report is submitted to recommend that the Commission no longer pursue these cases.

II. CASES RECOMMENDED FOR CLOSURE.

A. Cases Not Warranting Further Action Relative to Other Cases
Pending Before the Commission

EPS was created to identify pending cases that, due to the length of their pendency in inactive status or the lower priority of the issues raised in the matters relative to others presently pending before the Commission, do not warrant further expenditure of resources. Central Enforcement Docket (CED) evaluates each incoming matter using Commission-approved criteria which results in a numerical rating for each case.

Closing

cases permits the Commission to focus its limited resources on more important cases presently pending before it. Based upon this review, we have identified 17 cases that do

not warrant further action relative to other pending matters.¹ The attachments to this report contain a factual summary of each case, the EPS rating, and the factors leading to assignment of a low priority and recommendation not to further pursue the matter.

B. Stale Cases

Effective enforcement relies upon the timely pursuit of complaints and referrals to ensure compliance with the law. Investigations concerning activity more remote in time usually require a greater commitment of resources, primarily due to the fact that the evidence of such activity becomes more difficult to develop as it ages. Focusing investigative efforts on more recent and more significant activity also has a more positive effect on the electoral process and the regulated community. In recognition of this fact, EPS also provides us with the means to identify those cases which

remain unassigned for a significant period due to a lack of staff resources for effective investigation. The utility of commencing an investigation declines as these cases age, until they reach a point when activation of a case would not be an efficient use of the Commission's resources.

¹ These cases are: Pre-MUR 365 (*Friends of Marjorie Margolies-Mezvinsky, et al*); MUR 4729 (*Friends of Melinda Katz*); MUR 4730 (*The Capital Times*); MUR 4731 (*Randall Terry Live*); MUR 4732 (*Juneau Democratic District Committee*); MUR 4733 (*Families and Taxpayers for Bob Kilbanks*); MUR 4734 (*Dennis Newinski for Congress*); MUR 4738 (*Friends of Corrine Brown*); MUR 4739 (*Direct Voice/DMAPAC*); MUR 4744 (*Mayor James Hoffmann*); MUR 4745 (*Congressional Accountability Project*); MUR 4746 (*Phillip Cyre*); MUR 4747 (*NAWGA-PAC & FOODVIP PAC*); MUR 4765 (*Gary Miller*); MUR 4767 (*Committee to Elect Glenn Reese To Congress*); MUR 4778 (*Rick Hill for Congress*); and MUR 4784 (*Verticchio for Congress*).

We have identified cases that have remained on the Central Enforcement Docket for a sufficient period of time to render them stale. We recommend that these cases be closed.⁴

We recommend that the Commission exercise its prosecutorial discretion and direct closure of the cases listed below, effective October 29, 1998. Closing these cases as of this date will allow CED and the Legal Review Team the necessary time to prepare closing letters and case files for the public record.

⁴ The cases recommended for closure are: Pre-MUR 345 (*Simon Fireman*); MUR 4630 (*Kentucky State Democratic Central Committee*); MUR 4662 (*Democratic Congressional Campaign Cmte*); RAD 97L-08 (*Thomas for Congress*); RAD 97L-11 (*Eggleston for Congress*); RAD 97L-12 (*Massachusetts Democratic Party*); RAD 97L-13 (*McMains for Senate*); RAD 97L-20 (*Republican Party of Arkansas*); and RAD 97NF-24 (*NC Committee Against Extremism*).

III. RECOMMENDATIONS.

A. Decline to open a MUR, close the file effective October 29, 1998, and approve the appropriate letters in the following matters:

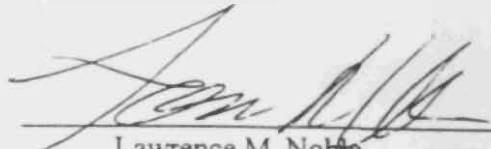
RAD 97L-08	RAD 97L-13	Pre-MUR 345
RAD 97L-11	RAD 97L-20	Pre-MUR 365
RAD 97L-12	RAD 97NF-24	

B. Take no action, close the file effective October 29, 1998, and approve the appropriate letters in the following matters:

MUR 4630	MUR 4732	MUR 4745
	MUR 4733	MUR 4746
MUR 4662	MUR 4734	MUR 4747
MUR 4729	MUR 4738	MUR 4765
MUR 4730	MUR 4739	MUR 4767
MUR 4731	MUR 4744	MUR 4778
		MUR 4784

10/20/98

Date



Lawrence M. Noble
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Case Closures Under
Enforcement Priority.

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CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 27, 1998, the Commission took the following actions with respect to the General Counsel's October 20, 1998 report on Case Closures under Enforcement Priority:

I. Decided by a vote of 4-0 to:

- A. Decline to open a MUR, close the file effective October 29, 1998, and approve the appropriate letters in the following matters, as recommended in the General Counsel's Report dated October 20, 1998:

- | | |
|---------------|----------------|
| 1. RAD 97L-08 | 5. RAD 97L-20 |
| 2. RAD 97L-11 | 6. RAD 97NF-24 |
| 3. RAD 97L-12 | 7. Pre-MUR 345 |
| 4. RAD 97L-13 | 8. Pre-MUR 365 |

- B. Take no action, close the file effective October 29, 1998, and approve the appropriate letters in the following matters, as recommended in the General Counsel's Report dated October 20, 1998:

- | | |
|-------------|--------------|
| 1. MUR 4630 | 7. MUR 4733 |
| 2. MUR 4662 | 8. MUR 4734 |
| 3. MUR 4729 | 9. MUR 4738 |
| 4. MUR 4730 | 10. MUR 4739 |
| 5. MUR 4731 | 11. MUR 4744 |
| 6. MUR 4732 | 12. MUR 4745 |

(continued)

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Federal Election Commission
Certification for Case Closure Under
Enforcement Priority
October 27, 1998

Page 2

13.	MUR 4746	16.	MUR 4767
14.	MUR 4747	17.	MUR 4778
15.	MUR 4765	18.	MUR 4784

Commissioners Elliott, Mason, McDonald,
and Thomas voted affirmatively for the
decision; Commissioners Sandstrom and Wold
did not cast a vote.

Attest:

10/27/98
Date

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

Received in the Secretariat:	Wed., Oct. 21, 1998	9:46 a.m.
Circulated to the Commission:	Wed., Oct. 21, 1998	11:00 a.m.
Deadline for vote:	Mon., Oct. 26, 1998	4:00 p.m.

lrd

93043901205



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 2, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Rosemary Maldonado
880 59th Street, Apt. 4F
Brooklyn, NY 11220

RE: MUR 4729

Dear Ms. Maldonado:

On March 6, 1998, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against the respondents. See attached narrative. Accordingly, the Commission closed its file in this matter on October 29, 1998. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

A handwritten signature in dark ink, appearing to read "F. Andrew Turley".

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

MUR 4729

FRIENDS OF MELINDA KATZ

Complainant Rosemary Maldonado alleges that the Friends of Melinda Katz ("Friends") received \$53,693 in "illegal" contributions because they were collected prior to the filing of a Statement of Organization by the committee on December 4, 1997. Ms. Maldonado also alleges that Friends received \$2800 in "soft money" contributions from six state committees.

In its response, Friends asserts that Assemblywoman Katz did not decide to run for Congress until November 1997, and that all moneys collected prior to that time were raised and spent for the purpose of "testing-the-waters." Friends further states that, once Ms. Katz decided to run, the committee registered with the FEC and filed a 1997 Year End Report detailing receipts and expenditures from May through December 1997. In support of its position, Friends submitted a copy of a thank-you letter to contributors from her "exploratory committee" which was designed to highlight the tentative nature of her candidacy between May and December 1997. In response to the allegation that Friends accepted soft money, the committee states its belief that it may accept up to \$1,000 per election from an unregistered organization if the organization has sufficient federally-acceptable funds to cover the amount of the contribution at the time it is made, and that it verified with five of the six committees that they met this criteria. Though Friends believes the sixth committee had sufficient funds to cover its \$100 contribution, it refunded the contribution because this fact could not be confirmed.

This matter is less significant relative to other matters pending before the Commission.

93043901287



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 2, 1998

Leslie J. Kerman, Esq.
Epstein Becker & Green, P.C.
1227 25th Street, NW
Washington, DC 20037-11561

RE: MUR 4729
Friends of Melinda Katz and Ronald A. Kaye, as Treasurer

Dear Ms. Kerman:

On March 18, 1998, the Federal Election Commission notified your clients of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on October 29, 1998.

The confidentiality provisions of 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 prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Jennifer H. Boyt on our toll-free number, (800)-424-9530. Our local number is (202) 694-1650.

Sincerely,

A handwritten signature in dark ink, appearing to read "F. Andrew Turley".

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

cc: Melinda R. Katz

MUR 4729

FRIENDS OF MELINDA KATZ

Complainant Rosemary Maldonado alleges that the Friends of Melinda Katz ("Friends") received \$53,693 in "illegal" contributions because they were collected prior to the filing of a Statement of Organization by the committee on December 4, 1997. Ms. Maldonado also alleges that Friends received \$2800 in "soft money" contributions from six state committees.

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This matter is less significant relative to other matters pending before the Commission.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE END OF MUR # 4729

DATE FILMED 12/2/98 CAMERA NO. 3

CAMERAMAN EES

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