




FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**MEMORANDUM**

**TO:** The Commissioners  
Staff Director  
Deputy Staff Director  
General Counsel

**FROM:** Office of the Commission Secretary 

**DATE:** November 15, 2000

**SUBJECT:** Statement of Reasons for MUR 4742

Attached is a copy of the Statement of Reasons for MUR 4742 signed  
by Chairman Darryl R. Wold. This was received in the Commission  
Secretary's Office on Wednesday, November 15, 2000 at 2:21 p.m.

cc: Vincent J. Convery, Jr.  
Press Office  
Public Information  
Public Disclosure

Attachment

21.04.403.1933



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WASHINGTON, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

2000 NOV 15 P 2:21

OFFICE OF THE CHAIRMAN

In the Matter of )

Juan Vargas )

Juan Vargas for Congress '96 and )

Deanna Liebergot as treasurer )

The Primacy Group and Larry Remer, Owner )

MUR 4742

**STATEMENT OF REASONS  
CHAIRMAN DARRYL R. WOLD**

This matter involved the question of whether a political consulting firm made an excessive contribution to a candidate by extending credit for the payment of the firm's fee outside of the normal course of business and in failing to take reasonable steps to collect the fee, even though the fee was eventually paid. The facts are set out in more detail in the Statement of Reasons signed by my colleagues and filed on November 9, 2000.

On September 26, 2000, the Commission unanimously rejected certain recommendations of the General Counsel to find probable cause to believe that the Respondents had committed violations of the Act. The General Counsel's recommendations to find probable cause were the precursor to the Counsel's recommendation that the Commission further pursue a penalty for those violations.

I joined my colleagues in voting to reject the General Counsel's recommendations, and to take no further action with respect to those alleged violations. I differed in some respects, however, with at least some of the reasons given by my colleagues in their Statement of Reasons.

I concluded only that any violation that did occur was not significant compared to violations in other cases that are presently pending before the Commission, and that the fact the debt in question had been paid in full was a significant additional factor that militated against any further action. Accordingly, I concluded that in the proper ordering of its priorities and resources (*see Heckler v. Chaney*, 470 U.S. 821 (1985)), the Commission should reject the recommendations to find probable cause, and determine to take no further action with respect to those violations.

11/15/00  
Date

*Darryl R. Wold*  
Darryl R. Wold  
Chairman

21-04-403-1933