



FEDERAL ELECTION COMMISSION
Washington, DC 20463

MAR 20 2000

Judith L. Corley, Esq.
Marc E. Elias, Esq.
Perkins Coie, LLP
607 Fourteenth St., N.W.
Washington, D.C. 20005-2011

RE: MUR 4763
Texas Democratic Party, *et al.*

Dear Ms. Corley and Mr. Elias:

On March 14, 2000, the Federal Election Commission ("Commission") accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended. 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.

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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,

Thomas J. Andersen / by SLZ

Thomas J. Andersen
Attorney

Enclosure
Conciliation Agreement

2025 OCT 14 10:00 AM

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 4763
Texas Democratic Party)	
and Jane Hedgepeth, as treasurer)	
Bexar County Democratic Party)	
and Eddie Rodriguez, as treasurer)	
Dallas County Democratic Party)	
and David A. Parnell, as treasurer)	
Galveston County Democratic Party)	
and Mary Ellen Brennan, as treasurer)	
Harris County Democratic Party)	
and Sue Schechter, as treasurer)	
Jefferson County Democratic Party)	
and Gilbert T. Adams Jr., as treasurer)	
Travis County Democratic Party)	
and Mina Clark, as treasurer)	
21st Century Political Action Committee)	
and Art Brender, as treasurer)	

JAN 10 10 18 AM '00

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF THE CLERK**CONCILIATION AGREEMENT**

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that the Texas Democratic Party and its treasurer ("Respondents") violated 2 U.S.C. § 441a(f). The Commission also found reason to believe that the Bexar County Democratic Party and its treasurer; the Dallas County Democratic Party and David A. Parnell, as treasurer; the Galveston County Democratic Party and Mary Ellen Brennan, as treasurer; the Harris County Democratic Party and its treasurer; the Jefferson County Democratic Party and Gilbert T. Adams Jr., as treasurer; the Travis County Democratic Party and Mina Clark, as treasurer; and the 21st Century Political Action Committee (the name of record for the Tarrant County Democratic Committee-Federal Account) and Art Brender, as treasurer (collectively, "County Committees") each violated 2 U.S.C. § 441a(f).

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. The Texas Democratic Party, the Bexar County Democratic Party, the Dallas County Democratic Party, the Galveston County Democratic Party, the Harris County Democratic Party, the Jefferson County Democratic Party, the Travis County Democratic Party and the 21st Century Political Action Committee are political committees within the meaning of 2 U.S.C. § 431(4).

2. The treasurer of the Texas Democratic Party is Jane Hedgepeth.

3. The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that no person or multicandidate political committee shall make contributions to a state or local party committee's federal account in any calendar year which in the aggregate exceed \$5,000, and prohibits the state or local committee from knowingly accepting such contributions. 2 U.S.C. § 441a(a)(1)(C), (2)(C) and (f); 11 C.F.R. § 110.1(d)(1), 110.2(d)(1) and 110.9(a).

4. Section 441a(a)(5) of the Act provides that all contributions made by political committees "established or financed or maintained or controlled by any . . . person,

including any parent, subsidiary, branch, division . . . or local unit of such . . . person, or by any group of such persons, shall be considered to have been made by a single committee." The Commission's regulations characterize such committees as "affiliated committees." See 11 C.F.R. §§ 100.5(g), 102.2(b)(1) and 110.3.

5. All contributions made by the political committees established, financed, maintained, or controlled by a state party committee and by subordinate state party committees shall be presumed to be made by one political committee. 11 C.F.R. § 110.3(b)(3). This regulation, when read together with 11 C.F.R. § 110.1(d)(1), 110.2(d)(1) and 110.3(a)(1), means that a state party committee and its local affiliates together may receive a maximum of \$5,000 per year from any one person or multicandidate committee.

6. Between 1993 and 1996, the County Committees received at least \$338,530.71 in federal monies from the Texas Democratic Party, and the Texas Democratic Party received at least \$113,475.90 in federal monies from the county committees.

7. Based on these transfers, the Texas Democratic Party and the County Committees were affiliated under the Act for purposes of accepting contributions in calendar year 1996. 11 C.F.R. § 110.3(b)(3). As affiliated committees, they were subject to a common contribution limit of \$5,000 from any person or multicandidate committee in 1996.

8. The Texas Democratic Party and the County Committees accepted contributions in excess of their \$5,000 aggregate limit in 1996 from the following committees in the listed amounts:

<u>Contributor</u>	<u>Amount in excess of \$5,000 limit</u>
Association of Trial Lawyers of America-PAC	\$35,000
American Federation of State, County and Municipal Employees-PEOPLE	\$25,000
National Education Association Political Action Committee	\$15,000
Democratic Republican Independent Voter Education Committee (DRIVE)	\$10,000
UAW Voluntary Community Action Program	\$10,000
AFL-CIO Committee on Political Education/ Political Contributions Committee	\$5,000
Committee on Letter Carriers Political Education	\$5,000
Sherman for Congress	\$3,000
Machinists Non-Partisan Political League	\$1,250
Transportation Political Education League	\$230
Lone Star Fund	<u>\$186</u>
Total:	\$109,666

V. During 1996, Respondents accepted contributions in excess of their aggregate limit, in violation of 2 U.S.C. § 441a(f).

VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of fifty-five thousand dollars (\$55,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

2. Respondents may not transfer excessive contributions to Respondents' non-federal account unless Respondents have received, within sixty (60) days of the effective date this agreement, express, written permission from the contributor of the excessive funds. Absent receipt of such written permission within the 60 day period, Respondents shall refund the excessive funds to the contributor.

3. In each case where Respondents receive written permission to transfer the funds to their non-federal account, Respondents shall furnish a copy of the written permission to the Commission prior to transferraing the funds.

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 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. 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 the parties or by agents of the parties, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

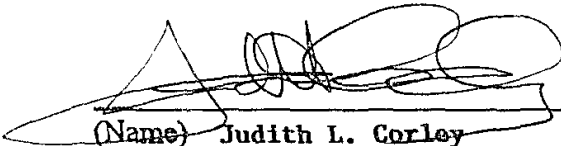
Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

3/17/00
Date

FOR THE RESPONDENTS:


(Name) Judith L. Corley
(Position) Counsel to Texas Democratic Party
and Jane Hedgepeth, as Treasurer

1/7/00
Date 1/7/00