



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 12, 2000

Luis Machado, Registered Agent
Lakeside Developers, Inc.
600 Palm Ave., Suite A
Hialeah, FL 33010

RE: MUR 5161
Lakeside Developers, Inc.

Dear Mr. Machado:

On November 28, 2000, the Federal Election Commission found reason to believe that Lakeside Developers, Inc. violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to Lakeside Developers, Inc. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds Lakeside Developers, Inc. that a corporation making a contribution or expenditure in connection with any election at which a Representative in Congress is to be voted for, or in connection with any primary election held to select candidates for this office, is a violation of 2 U.S.C. § 441b(a). Lakeside Developers, Inc. should take steps to ensure that this activity does not occur in the future.

The file will be made public within 30 days after this matter has been closed with respect to all other respondents involved. You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) remain in effect with respect to all respondents still involved in this matter. If you have any questions, please contact Eric Brown, the staff member assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in black ink that reads "Darryl R. Wold". The signature is written in a cursive, flowing style.

Darryl R. Wold
Chairman

Enclosure
Factual and Legal Analysis

21-04-405-1070

**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

MUR: 5161

RESPONDENT: Lakeside Developers, Inc.

I. GENERATION OF MATTER

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. *See* 2 U.S.C. § 437g(a)(2).

II. FACTUAL AND LEGAL ANALYSIS

The Federal Election Campaign Act of 1971, as amended, ("the Act") prohibits corporations from contributing to political committees. 2 U.S.C. § 441b(a). Contributions that present genuine questions as to whether they were made by corporations may be, within ten days of receipt, either deposited or returned to the contributor. 11 C.F.R. § 103.3(b)(1). If deposited, the treasurer shall make best efforts to determine the legality of the contribution. *Id.* If the contribution cannot be determined to be legal, the treasurer shall refund the contribution within 30 days. *Id.*

The Commission's audit of Lincoln Diaz-Balart for Congress Committee ("the Committee"), undertaken in accordance with 2 U.S.C. § 438(b), revealed that Lakeside Developers, Inc. made a contribution of \$300 to the Committee on October 26, 1998. This contribution was not refunded to Lakeside Developers, Inc. until February 16, 2000. Therefore, there is reason to believe that Lakeside Developers, Inc. violated 2 U.S.C. § 441b(a).

21-04-405-107-1