



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

THIS IS THE BEGINNING OF MUR # 3563

DATE FILMED 10/28/93 CAMERA NO. 2

CAMERAMAN MC

93040984500

JUL 2 10 11 AM '92

June 29, 1992

Federal Election Commission
Enforcement Division
999 E Street, NW
Washington D.C. 20463

RE: Doug Smith for Senate, FEC ID #C00226696
Doug Smith for Congress, FEC ID #C00249201

I would like the Federal Election Commission (FEC) to investigate and take action against the Doug Smith for Senate and Doug Smith for Congress, Campaigns. The FEC might have to go to some lengths to find two Campaigns that have willfully violated Federal Law more and subverted the Public's right to know who finances Federal Elections as much.

Smith for Senate:

Failure to file year end and subsequent reports since October of 1988. (per FEC Records)

Failure to disclose Debt in excess of \$14,000 incurred to AJF and associates, 16 N Astor, Irvington, NY. (per FEC Records)

Failure to disclose status of Loan of \$40,000 made by Smith to his campaign. (per FEC Records)

Smith for Congress

Failure to file mid-year 1991 Report and year-end 1991 year end report.

Failure to report disbursement made on 10/17/90 of \$150 to Citizens for Peggy Johnson (State Registered Campaign Committee)

The above items are known about only because of the public disclosure of other campaigns or because of partial reports filed with the FEC. If full reporting was carried forth I might have a better idea of where Smith for Congress raised and spent its money.

I would also like to note that Mr. Smith filed financial disclosure forms with the Secretary of the U.S. Senate Claiming assets worth \$1.2 million. Two years later those assets disappeared when he claimed to be indigent for State Filing purposes and also with the financial disclosure forms filed with the House of Representatives.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE ATTORNEY GENERAL
COUNSEL

92 JUL 2 PM 3:31

93040984501

He either perjured himself in 1988 or 1990. Who has jurisdiction over this kind of fraud? What happened to those assets? Are they being sheltered?

Full disclosure would answer these questions. I appreciated your attention to this matter.

Sincerely

Jim Cozad

Jim Cozad
1606 Diamond Loop
Bellingham, Wa 98226

Witnessed

Scott C. Chanin
Notary Public in and for
the State of
Washington, residing at
Wharton Co.
My Commission expires
4-13-94

93040984502



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 8, 1992

Jim Cozad
1606 Diamond Loop
Bellingham, WA 98226

Dear Mr. Cozad:

This is to acknowledge receipt on July 2, 1992, of your letter dated June 29, 1992. The Federal Election Campaign Act of 1971, as amended ("the Act") and Commission Regulations require that the contents of a complaint meet certain specific requirements. One of these requirements is that a complaint be sworn to and signed in the presence of a notary public and notarized. Your letter was not properly sworn to.

In order to file a legally sufficient complaint, you must swear before a notary that the contents of your complaint are true to the best of your knowledge and the notary must represent as part of the jurat that such swearing occurred. The preferred form is "Subscribed and sworn to before me on this ____ day of ____, 19__." A statement by the notary that the complaint was sworn to and subscribed before him also will be sufficient. We are sorry for the inconvenience that these requirements may cause you, but we are not statutorily empowered to proceed with the handling of a compliance action unless all the statutory requirements are fulfilled. See 2 U.S.C. § 437g.

Enclosed is a Commission brochure entitled "Filing a Complaint." I hope this material will be helpful to you should you wish to file a legally sufficient complaint with the Commission. The file regarding this correspondence will remain confidential for a 15 day time period during which you may file an amended complaint as specified above. If the defects are not cured and the allegations are not refiled, no additional notification will be provided and the file will be closed.

With respect to your allegations concerning information disclosed on financial disclosure forms, you may wish to contact the House Committee on Standards of Official Conduct. If you have any questions concerning this matter, please contact me at (202) 219-3410.

Sincerely,

Retha Dixon
Retha Dixon
Docket Chief

Enclosure
cc: Doug Smith for Senate

93040984503

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL

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RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

92 JUL 24 PM 3:19

JUL 24 9 39 AM '92

July 20, 1992

Federal Election Commission
Enforcement Division
999 E Street, NW
Washington D.C. 20463

MUR 3563

RE: Doug Smith for Senate, FEC ID #C00226696
Doug Smith for Congress, FEC ID #C00249201

I would like the Federal Election Commission (FEC) to investigate and take action against the Doug Smith for Senate and Doug Smith for Congress, Campaigns. The FEC might have to go to some lengths to find two Campaigns that have willfully violated Federal Law more and subverted the Public's right to know who finances Federal Elections as much.

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Smith for Congress

Failure to file mid-year 1991 Report and year-end 1991 year end report.

Failure to report disbursement made on 10/17/90 of \$150 to Citizens for Peggy Johnson (State Registered Campaign Committee)

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93040984504

He either perjured himself in 1988 or 1990. Who has jurisdiction over this kind of fraud? What happened to those assets? Are they being sheltered?

Full disclosure would answer these questions. I appreciated your attention to this matter.

The content of this letter are true to the best of my knowledge.

Jim Cozad

Subscribed and sworn before me on
this 21st day of July, 1992.

Jim Cozad
1606 Diamond Loop
Bellingham, Wa 98226

Doni Marie Chavama

Subscribed and sworn before me on
This 21st day of July, 1992.

Notary Public in and for
the State of Washington,
My Commission expires

April 13th, 1994

93040984505



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 30, 1992

Jim Cozad
1606 Diamond Loop
Bellingham, WA 98226

RE: MUR 3563

Dear Mr. Cozad:

This letter acknowledges receipt on July 24, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Doug Smith for Congress, and Thomas Graham, as treasurer, Doug Smith for Senate, and Allen Lane Carr, as treasurer. The respondents will be notified of this complaint within five 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 sworn to in the same manner as the original complaint. We have numbered this matter MUR 3563. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "L. Klein", is written over a horizontal line.

Lisa E. Klein
Assistant General Counsel

Enclosure
Procedures

93040984506



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 30, 1992

Doug Smith for Congress
Thomas Graham, Treasurer
3201 Wetmore Avenue
Everett, WA 98201

RE: MUR 3563

Dear Mr. Graham:

The Federal Election Commission received a complaint which indicates that Doug Smith for Congress ("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 3563. 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.

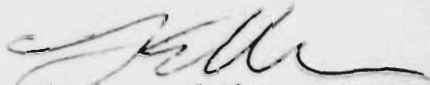
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed 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.

93040984507

Doug Smith for Congress
Thomas Graham, Treasurer
Page 2

If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Lisa E. Klein
Assistant General Counsel

Enclosures

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

93040984508



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 30, 1992

Doug Smith for Senate
Allen Lane Carr, Treasurer
111 NW 145th Street
Seattle, WA 98177

RE: MUR 3563

Dear Mr. Carr:

The Federal Election Commission received a complaint which indicates that Doug Smith for Senate ("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 3563. 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.

93040984509

Doug Smith for Senate
Allen Lane Carr, Treasurer
Page 2

If you have any questions, please contact Frances B. Hagan, the staff member assigned to this matter, at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Lisa E. Klein
Assistant General Counsel

Enclosures

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

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RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

DOUGLAS J. SMITH
3201 Wetmore Avenue
Everett, WA 98201

AUG 21 8 49 AM '92

August 18, 1992

Federal Election Commission
Washington, D.C. 20463

Attn: Frances B. Hagen

Re: MUR 3563

Gentlemen:

This will acknowledge our conversation of this date and formally request a ten day extension of the time for filing a written reply.

As mentioned to you, your letter dated July 30, 1992, had to be forwarded to Mr. Carr, the treasurer in the 1988 Senate campaign and would only now have been received by him.

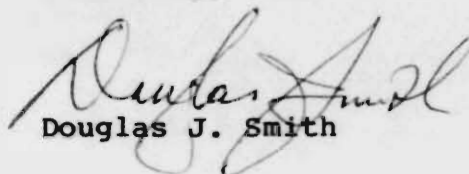
The treasurer of the 1990 campaign, Mr. Graham, is presently on vacation, and the third copy sent to me was received only last Friday.

As I mentioned to you I placed a call to the FEC on Friday, but inadvertently sought to talk to Ms. Klein rather than you. On Monday she directed my inquiry to your office.

As we discussed, an attempt will be made to include both the inquiries as to the Senate campaign and the House campaign in the same response.

Thank you for your assistance and courtesy.

Sincerely,


Douglas J. Smith

DJS/na

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 AUG 21 PM 3:23

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 26, 1992

Mr. Douglas J. Smith
3201 Wetmore Avenue
Everett, WA 98201

RE: MUR 3563
Doug Smith for Congress
Thomas Graham, as treasurer
Doug Smith for Senate
Allen Lane Carr, as treasurer

Dear Mr. Smith:

This is in response to your letter dated August 18, 1992, which we received on August 21, 1992, requesting an extension of 10 days to respond to a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 September 10, 1992.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

A handwritten signature in cursive script that reads "Frances B. Hagan".

Frances B. Hagan
Paralegal Specialist

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RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

Douglas J. Smith
Attorney at Law

Telephone
(206) 268-4539

SEP 15 9 45 AM '92
3201 Wetmore Ave.
P.O. Box 1649
Everett, WA 98201

September 10, 1992

Frances B. Hagan
Federal Election Commission
Washington, D.C. 20463

Re: MUR 3563
Doug Smith for Senate
Doug Smith for Congress

Dear Ms. Hagan:

Enclosed please find my declaration setting forth the facts in response to your request for comment.

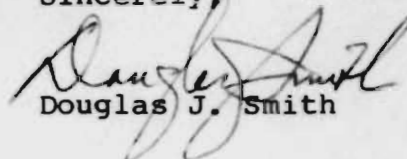
I have requested that both Thomas Graham and Allen Lane Carr respond independently to verify the facts as they know them.

It is hoped that the Federal Election Commission will find that there is not sufficient specification of alleged violation of the election laws to justify a full investigation. If further facts will assist you in reviewing the matter, please let me know.

It is further hoped that the facts and circumstances demonstrate a lack of intent to violate any election law regulations sufficient to constitute a substantive violation.

Thank you for your courtesy in this matter.

Sincerely,


Douglas J. Smith

DJS/na

Encl: Declaration of Douglas J. Smith

92 SEP 15 AM 10:34

RECEIVED
FEDERAL ELECTION COMMISSION

93040984513

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Doug Smith for Senate)
FEC C00226696)
MUR 3563
Doug Smith for Congress)
FEC C00249201) DECLARATION OF DOUGLAS J. SMITH

Douglas J. Smith declares as follows:

1. That he is the candidate in the above entitled matters.

2. That a letter request to terminate the Smith for Senate campaign was filed with the FEC, explaining: that no campaign activity had been engaged in following the Primary Election in 1988, that under Washington State law the candidate was legally responsible for all campaign debts and that therefore the candidate assumed the outstanding debts of the campaign, that no funds had been solicited by the campaign committee to pay off said debts (and that no money had been contributed to the committee), that all loans by the candidate to the campaign were forgiven and that no funds to repay said loans would be sought.

3. That following said letter request, no further communication has been received from the FEC relative to said campaign committee.

4. That the debt to AJF & Associates and the loan of \$40,000 were fully disclosed, and are covered by the terms of the letter referred to in paragraph two above.

5. As to the 1990 Doug Smith for Congress campaign, upon completion of the campaign declarant in a similar manner assumed the remaining minor debts of the campaign, as required by state law. In early 1991, without notice to the campaign committee, the campaign depository bank account was closed due to lack of funds by the bank.

93040984514

6. No funds were solicited or received on behalf of the campaign following the general election in November of 1990, and no campaign activity was engaged in following the general election.

7. The 1990 third and fourth quarter reports were refiled in an attempt to comply with minor and technical filing requirements. Beyond that, no federal election activity was engaged in.

8. In May of 1991, declarant began exploration of a possible campaign for Snohomish County Executive, a county-wide office regulated by the Washington State Election Commission. Upon declaring my candidacy for that office, all campaign activities were reported to the State public Disclosure Commission under Washington State law.

9. The March 4, 1991 attempt by the Doug Smith for Congress committee to reconcile the final 30-day Pre-Election Report with previous reports was the last filing by that committee. However, the intervening state election, the termination of committee activity and the intervening re-districting of the Second Congressional District it is submitted should abrogate the need to continue technical requirements.

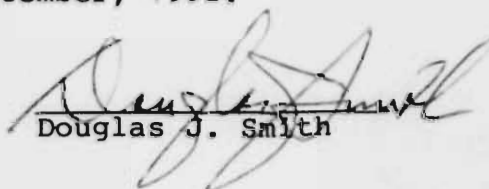
10. As to the alleged contribution to Citizens for Peggy Johnson, my copies of the records do not disclose a contribution by the campaign committee. I may have personally contributed to her campaign, as she is a personal friend and an outstanding public servant. However, no intent to evade any election laws or disclosure requirements played a part in such a gesture.

11. As to the gratuitous remarks made, and idle questions raised, at the end of the citizen complaint, the matters have been publicly challenged and debated for several years. Their inclusion in the complaint strongly suggests that its purpose is to politically har-

rass my campaign efforts at a crucial point in the present campaign. No facts have ever been specified to justify these "charges" but they randomly surface throughout the past two campaigns. The Washington State Public Disclosure Commission and the office of the Secretary of State in Olympia have both failed to respond to such charges filed with their offices.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 10th day of September, 1992.


Douglas J. Smith

93040984516

MUR # 3563

ADDITIONAL DOCUMENTS WILL BE ADDED TO THIS FILE AS THEY
BECOME AVAILABLE. PLEASE CHECK FOR ADDITIONAL MICROFILM
LOCATIONS.

93040984517



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3563

DATE FILMED 10/28/93 CAMERA NO. 2

CAMERAMAN MC

93040984518



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

☒ Microfilm
☐ Public Records
☐ Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3563.

12/10/93

23043542985

23043542986

**THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS
FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE**

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report.
See Reel 354, pages 1590-94.
2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System.
See Reel 354, pages 1595-1620.
3. Certification of Commission vote, dated April 28, 1993.
See Reel 354, pages 1621-22.
4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993.
See Reel 354, pages 1623-1740.
5. Certification of Commission vote, dated December 9, 1993.
See Reel 354, pages 1741-1746.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jim Cozad
1606 Diamond Loop
Bellingham, WA 98226

RE: MUR 3563

Dear Mr. Cozad:

On July 24, 1992, 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 Doug Smith for Congress and Thomas Graham, as treasurer, and Doug Smith for Senate and Allen Lane Carr, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter. 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,

Frances B. Hagan
Paralegal Specialist

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1993

23043542987

MUR 3563
DOUG SMITH FOR CONGRESS
DOUG SMITH FOR SENATE

Complainant alleges that the Smith for Senate Committee failed to file the 1988 Year End Report and subsequent reports. Complainant alleges the failure to disclose a debt in excess of \$14,000 owed to a consulting firm; and the failure to disclose the status of a candidate loan of \$40,000. Complainant alleges that Smith for Congress (1990) failed to file the 1991 Mid-Year and Year End reports, and that this Committee failed to report \$150 disbursed to a state candidate. The candidate responded saying he personally assumed all 1988 Senate and 1990 Congressional campaign debts, that the Committee raised no more funds, and that he forgave the candidate loans.

In this case, there appears to be no serious intent to violate the FECA, no issues of major significance relative to the other issues pending before the Commission, and no substantial amounts involved in the violations.

23043542988



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Douglas J. Smith
3201 Wetmore Avenue
Everett, WA 98201

RE: MUR 3563
Doug Smith for Congress and
Thomas Graham, as treasurer
Doug Smith for Senate and
Allen Lane Carr, as treasurer

Dear Mr. Smith:

On July 30, 1992, the Federal Election Commission notified Doug Smith for Congress and Thomas Graham, as treasurer, and Doug Smith for Senate and Allen Lane Carr, as treasurer, 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 Doug Smith for Congress and Thomas Graham, as treasurer, and Doug Smith for Senate and Allen Lane Carr, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter.

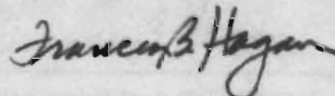
The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any 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.

23043542989

Douglas J. Smith
Page 2

If you have any questions, please contact me at (202)
219-3400.

Sincerely,



Frances B. Hagan
Paralegal Specialist

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1993

93043542990

MUR 3563
DOUG SMITH FOR CONGRESS
DOUG SMITH FOR SENATE

Complainant alleges that the Smith for Senate Committee failed to file the 1988 Year End Report and subsequent reports. Complainant alleges the failure to disclose a debt in excess of \$14,000 owed to a consulting firm; and the failure to disclose the status of a candidate loan of \$40,000. Complainant alleges that Smith for Congress (1990) failed to file the 1991 Mid-Year and Year End reports, and that this Committee failed to report \$150 disbursed to a state candidate. The candidate responded saying he personally assumed all 1988 Senate and 1990 Congressional campaign debts, that the Committee raised no more funds, and that he forgave the candidate loans.

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23043542991