



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 3949

DATE FILMED 9-8-64 CAMERA NO. 2

CAMERAMAN JM H

94043565122

WELCH
U.S. SENATE
COMMON SENSE. PERIOD.

OGC# 228

February 15, 1994

Mr. Scott E. Thomas, Chair
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Thomas:

I am filing a formal complaint with the Federal Election Commission concerning the end of year campaign financial disclosure filed by U.S. Senator Herb Kohl (D-Wisconsin). Senator Kohl has not followed FEC rules in disclosing that he forgave \$1,248,000 in personal loans to his campaign committee.

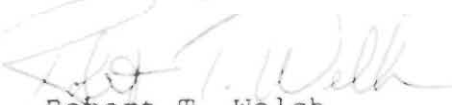
In a news article, Sharon Schneider, of your Public Affairs Office, is quoted as saying, "What he [Kohl] did was change his loan to a straight contribution, and the letter functioned as a legitimate record." I agree with Ms. Schneider that forgiving of the loans should be considered a straight contribution. Senator Kohl should have to report that contribution on his FEC report.

The FEC Campaign Guide book states on page 11, that "candidate contributions are not subject to any limits. They must, however, be reported." No where in the FEC Campaign Guide does it state that it is acceptable to file information that should be included in the "Report of Receipts and Disbursements" by a separate letter.

Does the FEC have separate rules for incumbents that say you do not have to utilize the "Report of Receipts and Disbursements"? Does the FEC allow a candidate to disregard the guidelines and file whatever information they wish by separate letter?

Senator Kohl should be compelled to amend his end of year report to show an additional \$1,248,000 in candidate contributions, as well as show on the end of year report that the \$1,248,000 in loans was repaid by a candidate contribution. The citizens of Wisconsin deserve nothing less than full and complete disclosure.

Sincerely,


Robert T. Welch
U.S. Senate Candidate

DELIVERED BY FAX, HARDCOPY MAILED

CITIZENS FOR WELCH

P.O. Box 472

MADISON, WI 53701

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RECEIVED
FEB 26 1994

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FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

February 25, 1994

Robert T. Welch
Citizens for Welch
P.O. Box 472
Madison, WI 53701

Dear Mr. Welch:

This is to acknowledge receipt on February 24, 1994, of your letter dated February 15, 1994. 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 did not contain a notarization on your signature and 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/her also will be sufficient. We regret 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.

If you have any questions concerning this matter, please contact me at (202) 219-3410.

Sincerely,

A handwritten signature in cursive script, reading "Retha Dixon", is written over the typed name.

Retha Dixon
Docket Chief

Enclosure

cc: U.S. Senator Herb Kohl

240435651

9/11/22 11:40
OGC 616

MUR 3949

Dear Mr. Thomas

In a news article, Sharon Schneider, of your Public Affairs Office, is quoted as saying, "What he [Kohl] did was change his loan to a straight contribution, and the letter functioned as a legitimate record." I agree with Ms. Schneider that forgiving of the loans should be considered a straight contribution. Senator Kohl should have to report that contribution on his FEC report.

Does the FEC have separate rules for incumbents that say you do not have to utilize the "Report of Receipts and Disbursements"? Does the FEC allow a candidate to disregard the guidelines and file whatever information they wish by separate letter?

Sincerely,

Subscribed and sworn to before me on this 16th day of March, 1994.

My commission expires: 10/15/95

11 • 608 • 284 • 6262

received



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MARCH 24, 1994

Robert T. Welch
Citizens for Welch
P.O. Box 472
Madison, WI 53701

RE: MUR 3949

Dear Mr. Welch:

This letter acknowledges receipt on March 22, 1994, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) 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 3949. 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,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

94043565133



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 24, 1994

Linda De La Mora, Treasurer
Herb Kohl for United States Senate Inc.
825 N. Jefferson Street
Milwaukee, WI 53202

RE: MUR 3949

Dear Ms. De La Mora:

The Federal Election Commission received a complaint which indicates that Herb Kohl for United States Senate Inc. ("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 3949. 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.

24043565134

Linda De La Mora, Treasurer
Herb Kohl for United States Senate Inc.
Page 2

If you have any questions, please contact Joan McEnery at
(202) 219-3400. For your information, we have enclosed a brief
description of the Commission's procedures for handling
complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

2 4 0 4 3 5 6 5 1 3 5



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MARCH 24, 1994

The Honorable Herb Kohl
United States Senate
Washington D.C. 20510
PERSONAL and CONFIDENTIAL

RE: MUR 3949

Dear Senator Kohl:

The Federal Election Commission received a complaint which indicates that you 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 3949. 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 you 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.

24043565136

The Honorable Herb Kohl
Page 2

If you have any questions, please contact Joan McNery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

24043565157



06c 890

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE DIVISION
VIA CERTIFIED MAIL
APR 11 3 21 PM '94

April 6, 1994

Mary L. Taksar
Federal Election Commission
Office of The General Counsel
999 E. Street, N.W.
Washington, D.C. 20463

RE: MUR 3949

Dear Ms. Taksar:

This letter is in response to a notice of a complaint filed with the Federal Election Commission by Robert T. Welch. The notice and copy of the complaint were received by Herb Kohl for United States Senate, Inc. ("Committee") on March 29, 1994.

Mr. Welch's complaint charges that the Committee improperly reported the forgiveness of \$1,248,000 of personal candidate loans to the Committee on the December 31, 1993 FEC Form 3, Report of Receipts and Disbursements. The procedure used by the Committee to report the forgiveness of these candidate loans was the procedure suggested by the FEC Reports / Analysis Division. On September 9, 1993 Pat Sheppard of Reports / Analysis advised the following with respect to the presentation of the forgiveness of the loans:

1. The forgiveness of debt by the candidate should not be restated as a candidate contribution (to do so would overstate receipts by the campaign since the initial loans of funds to the campaign had been shown on previous Campaign reports as receipts).
2. FEC Form 3, Schedule C, should reflect the loans as having no outstanding balance to the end of the reporting period and a reference should be made to a letter attached to Schedule C.
3. The letter, signed by the candidate, should include the following:
 - addressed to the campaign committee
 - suggested language "I relieve the campaign committee from any and all obligation to pay back funds loaned to the campaign as listed in the letter".
 - listing of all loans, indicating the date and the amount of the loan, corresponding to entries on Schedule C.
 - certification that all loans listed were made from the candidate's personal funds.



Mary L. Taksar
Federal Election Commission
April 6, 1994
Page 2

This was the exact procedure followed by the Committee in reporting the forgiveness of the loans on the December 31, 1993 Form 3.

When this matter was raised by Mr. Welch in the local press prior to his filing the complaint with the FEC, Sharon Snyder, the FEC's Assistant Press Officer, was interviewed by the Milwaukee Sentinel. The Sentinel reported on February 5, 1994 that the FEC had indicated that the committee had acted properly on the loan report and quoted Ms. Snyder. "The letter (from Kohl) addresses the same concern as the report. A letter is acceptable. Candidates forgiving loans have done it in so many ways that we sometimes have trouble with the summary statistics." But the Kohl campaign reported its loan forgiveness "in a clear fashion." "It may not be on the form, but you've got it in a letter. They do have that option." Snyder said the FEC was trying to overcome a reputation for being "nitpickers on paperwork."

The Committee has attempted at each step of the process to fully comply with FEC rules and regulations. In instances such as this where the rules are somewhat unclear the Committee has attempted to clarify the FEC's understanding of the rules prior to their application to the Committee. Certainly in this instance the Committee was attempting to offer full and complete disclosure as those terms are interpreted by the FEC.

Sincerely,
HERB KOHL FOR UNITED STATES SENATE, INC.

Michael L. Burr
Assistant Treasurer

MLB:cal

WELCH
U.S. SENATE
COMMON SENSE. PERIOD.

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

JUL 15 3 13 PM '94

July 11, 1994

Mr. Scott E. Thomas, Chair
Federal Elections Commission
999 E. Street, N.W.
Washington, D.C. 20463

Dear Mr. Thomas:

On March 11th of this year I filed a formal complaint with your office regarding the end of year campaign financial disclosure report filed by U.S. Senator Herb Kohl (D-Wisconsin). (I have enclosed a copy of that letter for your review). The complaint has been numbered MUR 3949 by the Federal Elections Commission (FEC).

As of the date of this letter I have not received any correspondence from your office regarding this complaint. As this is election year, the resolution of this complaint is of paramount importance.

Will the voters of Wisconsin know before the election whether or not the FEC is going to enforce the disclosure laws as they apply to U.S. Senator Herb Kohl?

I am once again asking your office to investigate this complaint and please inform me of this investigation.

Thank you in advance for your cooperation with this effort. Please do not hesitate to contact me if you have any questions.

Sincerely,

Robert T. Welch
U.S. Senate Candidate

Subscribed and sworn to before me on this 11th day of July, 1994.


Notary Public

WELCH
U.S. SENATE
COMMON SENSE. PERIOD.

March 11, 1994

Mr. Scott E. Thomas, Chair
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Mr. Thomas:

I am filing a formal complaint with the Federal Election Commission concerning the end of year campaign financial disclosure filed by U.S. Senator Herb Kohl (D-Wisconsin). Senator Kohl has not followed FEC rules in disclosing that he forgave \$1,248,000 in personal loans to his campaign committee.

In a news article, Sharon Schneider, of your Public Affairs Office, is quoted as saying, "What he [Kohl] did was change his loan to a straight contribution, and the letter functioned as a legitimate record." I agree with Ms. Schneider that forgiving of the loans should be considered a straight contribution. Senator Kohl should have to report that contribution on his FEC report.

The FEC Campaign Guide book states on page 11, that "candidate contributions are not subject to any limits. They must, however, be reported." No where in the FEC Campaign Guide does it state that it is acceptable to file information that should be included in the "Report of Receipts and Disbursements" by a separate letter.

Does the FEC have separate rules for incumbents that say you do not have to utilize the "Report of Receipts and Disbursements"? Does the FEC allow a candidate to disregard the guidelines and file whatever information they wish by separate letter?

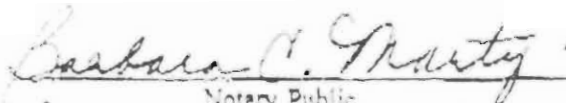
Senator Kohl should be compelled to amend his end of year report to show an additional \$1,248,000 in candidate contributions, as well as show on the end of year report that the \$1,248,000 in loans was repaid by a candidate contribution. The citizens of Wisconsin deserve nothing less than full and complete disclosure.

Sincerely,



Robert T. Welch
U.S. Senate Candidate

Subscribed and sworn to before me on this 14th day of March, 1994.



Notary Public

BARBARA C. MARTY

My Commission expires: 10/15/95

CITIZENS FOR WELCH

P.O. Box 47

MADISON, WI 53701

1 • 808 • 28 • 60 • 808



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

July 14, 1994

Robert T. Welch
Citizens for Welch
3015 114th Street
Milwaukee, WI 53222

RE: MUR 3949

Dear Mr. Welch:

This is in response to your letter dated July 11, 1994, in which you requested information pertaining to the complaint you filed on March 22, 1994, with the Federal Election Commission.

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits any person from making public the fact of any notification or investigation by the Commission, prior to closing the file in the matter, unless the party being investigated has agreed in writing that the matter be made public. See 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A). Because there have been no written agreements that the matter be made public, we are not in a position to release any information at this time.

As you were informed by letter dated March 24, 1994, we will notify you as soon as the Commission takes final action on your complaint.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

24043565142

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

FEDERAL ELECTION COMMISSION
999 E. Street, N.W.
Washington, D.C. 20463

AUG 10 3 22 PM '94

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR 3949

DATE COMPLAINT FILED: 3/22/94
DATE OF NOTIFICATION: 3/24/94

STAFF MEMBER: Pamela G. Sosne
Jeff Long

COMPLAINANT: Robert T. Welsh, U.S. Senate Candidate
Citizens for Welsh

RESPONDENTS: Herb Kohl
Herb Kohl for U.S. Senate Inc. and
Linda De La Mora, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 434

INTERNAL REPORTS CHECKED: Disclosure reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated from a complaint filed on March 22, 1994, by Robert T. Welsh, U.S. Senate candidate opposing Senator Herb Kohl. The complaint alleged that Herb Kohl improperly reported the forgiveness of \$1,248,000 of personal candidate loans to Herb Kohl for United States Senate Inc. ("the Committee"), his principal campaign committee. Complaint at 1. Herb Kohl and his Committee were notified of the complaint on March 24, 1994. In a letter dated April 6, 1994, respondents asserted that they followed the Federal Election Commission (FEC) procedures properly in their attempt at full and open disclosure. Letter from Burr to Tasker of 4/6/94.

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II. FACTUAL AND LEGAL ANALYSIS

A. The Law

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The Federal Election Campaign Act of 1971, 2 U.S.C. § 434 ("the Act") mandates that all political committees shall file reports of receipts and disbursements as provided. Within receipts, "[t]he term 'contribution' includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. §§ 431(8)(A)(i), 434(b)(2); see A.O. 1986-23. Therefore, although placed on different lines of the Detailed Summary Page of Receipts and Disbursements, all loans, whether later repaid or forgiven are considered contributions for such reporting purposes. See Campaign Guide for Congressional Candidates and Committees (hereinafter "Campaign Guide") at 11. All debts and obligations owed by a committee, including such loans, must be initially disclosed in a timely manner and continuously reported until extinguished. 2 U.S.C. § 434(b)(4). See also A.O. 1986-45, A.O. 1977-58.

The regulations mandate, "Each report filed by a political committee under 11 C.F.R. Part 104 shall be filed on the appropriate FEC form as set forth below." 11 C.F.R. § 104.2(a). A congressional candidate committee must file a report on FEC Form 3. 11 C.F.R. § 104.2(e)(2). Loans received and loans repaid must be itemized and reported according to Schedules A and B respectively. 2 U.S.C. § 434(b)(2)(G) and (4)(D); 11 C.F.R. § 104.3; Campaign Guide at 11, 29.

There are different requirements to report the forgiveness

of loans. "On Schedule C or D, as appropriate . . . each report shall contain a statement as to circumstances and conditions under which such debts or obligations were extinguished." 11 C.F.R. § 104.3(d); 2 U.S.C. § 434(b)(8). That regulation then expressly directs the Committee to also satisfy 11 C.F.R. § 116. "A creditor that intends to forgive a debt owed by an ongoing committee shall notify the Commission by letter of its intent." 11 C.F.R. § 116.8(b).

B. Analysis

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The complainant avers that Kohl should report the act of forgiving the loans as a candidate contribution. Complaint at 1. According to the Act, all such contributions (either gifts or loans) are originally designated as "receipts" for reporting purposes at the time of the loan. 2 U.S.C. § 434(b)(2). Nowhere in the Act nor in the regulations does it suggest that a loan forgiven must be restated as an additional contribution.¹ Indeed, as Michael Burr, Assistant Treasurer of the Committee, correctly asserts, "The forgiveness of debt by the candidate should not be restated as a candidate contribution (to do so would overstate receipts by the campaign since the initial loans of funds to the campaign had been shown on previous Campaign reports as receipts)." Letter from Burr to Tasker of 4/6/994.

The complainant also contends that a separate letter to

1. The candidate may loan personal funds to the campaign committee. The committee is required solely to report all such loans until paid or forgiven. In contrast, receipts that are reported as contributions from the candidate (rather than loans) may not later be converted into loans. Campaign Guide at 11.

report the loan forgiveness is insufficient; failure to use the proper procedure for the reporting of contributions and payments suggests less than full and complete disclosure. Complaint at 1. The facts suggest a different conclusion.

With sixteen separate payments between November 28, 1988 and May 28, 1993, Herb Kohl loaned the Committee in total \$1,248,000. After that date, Kohl began making "straight contributions" to the committee, gifts rather than loans. All of these transactions are fully reported using the Detailed Summary Pages and Schedules A and C, where appropriate.² 2 U.S.C. § 434(b); 11 C.F.R. Part 104. See Attachment 1.

On December 31, 1993 in the Year End Report, the Committee enclosed FEC Form 3. See Attachment 2. As appropriate, the Committee reported their loan status in Schedule C. Under "Balance Outstanding at Close of This Period," the Committee typed, "NONE, See Attached letter dated 12/31/94" on each of the sixteen entries. See Attachment 2, pp. 5-12. A letter detailing the loans forgiven was also enclosed with the report. See Attachment 2, p. 4. Use of a letter to document loan forgiveness is the procedure challenged by complainant.

Procedurally, contrary to complainant's assertions, the

2. There are two minor discrepancies. In the Midyear Reports of 1991 and 1992, the Committee failed to specify the receipt of the \$30,000 and \$35,000 in loans on Schedule A. However, in both Reports, the Committee did concurrently note the existence of the loans on the Detailed Summary Page and on Schedule C, as well as properly recording the loans in subsequent Detailed Summary and Schedule C Pages. Because all the information that should have been on Schedule A appeared on Schedule C, we do not recommend pursuing this issue.

24043565147

correct forms were used where appropriate; any receipts or payments of loans were reported. However, when loans are extinguished, the procedure used for reporting this transaction differs from the procedure for reporting the receipt or payment of said loans.³ As noted above, loan forgiveness by the candidate must be documented and explained on Schedule C. 2 U.S.C. § 434(b)(8); 11 C.F.R. § 104.3(d); Campaign Guide at 11. To satisfy such regulations, the Committee did utilize Schedule C to note the particular loans forgiven. See Attachment 2, pp. 5-12. As further required by the regulations, the Committee detailed the amount and date of each loan forgiven in a letter. 11 C.F.R. Part 116; See Attachment 2, p. 4: letter from Kohl of 12/31/93. While the Commission is authorized to review such forgiveness for any apparent violations, the December 31, 1993 letter, as mentioned in the appropriate parts of the report, satisfies the requirements of 11 C.F.R. Parts 104 and 116.

In light of the above discussion, the Office recommends that the Commission find no reason to believe that Herb Kohl or his Committee violated 2 U.S.C. § 434.

III. RECOMMENDATIONS

1. Find no reason to believe that Herb Kohl, the Herb Kohl for United States Senate Inc., nor Linda De La Mora, as treasurer violated 2 U.S.C. § 434 based upon the complaint filed in MUR 3949.

3. The receipt of loans must be documented in Schedule A. Campaign Guide at 29. Payment of a loan must be documented in Schedule B. Id.

2. Approve the appropriate letters.
3. Close the file.

Lawrence M. Noble
General Counsel

August 10, 1994
Date

BY:

Lois G. Wern (ss)
Associate General Counsel

Attachments

1. Summary of Candidate's Reporting of Loans
2. 1993 Year End Report

24043565118

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Herb Kohl;
Herb Kohl for U.S. Senate Inc. and
Linda De La Mora, as treasurer.

)
)
) MUR 3949
)
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 15, 1994, the Commission decided by a vote of 5-0 to take the following actions in MUR 3949:

1. Find no reason to believe that Herb Kohl, the Herb Kohl for United States Senate Inc., nor Linda De La Mora, as treasurer, violated 2 U.S.C. § 434 based upon the complaint filed in MUR 3949.
2. Approve the appropriate letters, as recommended in the General Counsel's Report dated August 10, 1994.
3. Close the file.

Commissioners Aikens, Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

8-15-94
Date

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

Received in the Secretariat: Wed., Aug. 10, 1994 3:22 p.m.
Circulated to the Commission: Wed., Aug. 10, 1994 4:00 p.m.
Deadline for vote: Mon., Aug. 15, 1994 4:00 p.m.

bjr



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

AUGUST 19, 1994

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Robert T. Welch
Citizens for Welch
P.O. Box 472
Madison, WI 53701

RE: MUR 3949

Dear Mr. Welch:

On August 15, 1994, the Federal Election Commission reviewed the allegations of your complaint dated March 11, 1994, and found that on the basis of the information provided in your complaint, and information provided by the Respondents, there is no reason to believe Herb Kohl and Herb Kohl for U.S. Senate Inc. and Linda De La Mora, as treasurer, violated 2 U.S.C. § 434. Accordingly, on August 15, 1994, the Commission closed the file in this matter.

The Federal Election Campaign Act of 1971, as amended ("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,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

94043565150



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

AUGUST 19, 1994

Michael Burr, Assistant Treasurer
Herb Kohl for U.S. Senate Inc.
825 North Jefferson Street
Milwaukee, Wisconsin 53202

RE: MUR 3949
Herb Kohl and Herb Kohl for
U.S. Senate Inc. and
Linda De La Mora, as treasurer

Dear Mr. Burr:

On March 24, 1994, the Federal Election Commission notified Herb Kohl and Herb Kohl for U.S. Senate Inc. and Linda De La Mora, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On August 15, 1994, the Commission found, on the basis of the information in the complaint and information provided by you, that there is no reason to believe Herb Kohl and Herb Kohl for U.S. Senate Inc. and Linda De La Mora, as treasurer, violated 2 U.S.C. § 434. Accordingly, the Commission closed its file 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.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

24043565101



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3949

DATE FILMED 9-8-54 CAMERA NO. 2

CAMERAMAN JMN

94043565152



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

Date: 9/12/94

☒ Microfilm
☐ Public Records
☐ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED NUR 3949

94043585086

FEDERAL ELECTION COMMISSION



Press Office

999 E Street, N.W., Washington, D.C. 20463

Phone: Local 202-219-4155

Toll Free 800-424-9530

FOR IMMEDIATE RELEASE:
SEPTEMBER 12, 1994

CONTACT: KELLY HUFF
RON HARRIS
SHARON SNYDER
IAN STIRTON

FEC RELEASES TWO COMPLIANCE CASES

WASHINGTON -- The Federal Election Commission has made public its final action on two matters previously under review (MURs). This release contains only summary information. Closed files should be thoroughly read for details, including the FEC's legal analysis of the case. (Please see footnote at the end of this release.) Closed MUR files are available in the Public Records Office. They are as follows:

MUR NO.

1. MUR 3949

RESPONDENTS: (a) Senator Herb Kohl (WI)
(b) Herb Kohl for United States Inc., Linda De La Mora, treasurer (WI)
COMPLAINANT: Robert T. Welch
SUBJECT: Improper reporting of forgiven loans
DISPOSITION: (a-b) No reason to believe*

2. MUR 3977

RESPONDENTS: Friends of Geri Rothman-Serot, Roy Hendin, treasurer (MO)
COMPLAINANT: FEC Initiated (RAD)
SUBJECT: Failure to file 48-hour reports
DISPOSITION: Conciliation Agreement: \$7,000 civil penalty*

*There are four administrative stages to the FEC enforcement process:

1. Receipt of proper complaint
2. "Reason to believe" stage
3. "Probable cause" stage
4. Conciliation stage

It takes the votes of at least four of the six Commissioners to take any action. The FEC can close a case at any point after reviewing a complaint. If a violation is found and conciliation cannot be reached, then the FEC can institute a civil court action against a respondent.

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