



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4078

DATE FILMED 3-2-95 CAMERA NO. 2

CAMERAMAN JM#

05043631147



RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

OCT 6 2 31 PM '94

Texas Democratic Party

October 5, 1994

MUR 4078

Mr. Lawrence Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20563

Dear Mr. Noble:

This letter constitutes a complaint alleging that William McClellan "Mac" Thornberry, a candidate and Republican nominee for U.S. House of Representatives from the 13th District of Texas, has received an unlawful personal loan from a corporation in the form of a substantial salary advance for work not or not as yet performed.

This complaint further alleges that Peterson, Farris, Doores & Jones (Amarillo Plaza II, Suite 400, Amarillo, Texas 79101), a law firm and Texas professional corporation employing Mr. Thornberry, has provided illegal corporate support by advancing Mr. Thornberry his entire salary for 1994, an amount estimated from information to be about \$70,000, despite Mr. Thornberry's own public admission that he has not performed any work for the firm since May 1994, and did not work more than half-time for the firm between the March 1994 primary and May 1994.

Mr. Thornberry has claimed, in at least one public forum (exhibit 1), that he campaigns full time and does not draw a salary. He further claims that he is living on "savings and things like that," yet his Financial Disclosure Statement on file at the U.S. House of Representatives discloses that he had accumulated no savings in excess of \$5,000, and that he had no other income-producing assets (exhibit 2).

It may be technically true that Mr. Thornberry no longer draws a salary; upon information and belief, I am alleging that he drew his entire 1994 salary in advance, in January 1994--after he had qualified as a candidate under the FECA, after he had filed a Financial Disclosure Statement with the U.S. House of Representatives, and after he had applied for a position on the Republican primary election ballot, thus becoming a candidate under Texas law.

Mr. Lawrence Noble, Esq.
October 5, 1994

Page 2

Telephone inquiries to the law firm have only confused the situation further. The firm apparently maintains both an office and a secretary for Mr. Thornberry's use, yet claims he is on a leave of absence, and has not worked there since May.

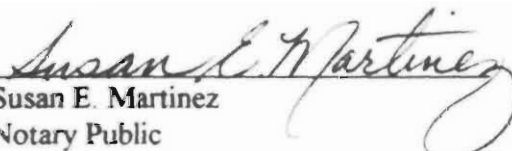
If Mr. Thornberry, as an employee of a corporation, is being compensated while performing extensive campaign activities, then both he and his corporate employer have broken the law. It seems clear that Mr. Thornberry's campaign for Congress is being illegally subsidized by his corporate employer, not only in the form of salary advances for work not performed, but also by payments made by his corporate employer to maintain an office and a secretary for his use while he is admittedly not working.

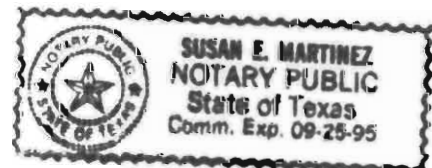
I respectfully request that the Commission investigate this complaint as soon as possible, given that the general election is only a few short weeks away.


Bob Slagle, Chairman
Texas Democratic Party

enclosures

Subscribed and sworn to before me on this 5th day of October, 1994.


Susan E. Martinez
Notary Public



TRANSCRIPT OF CALL TO MAC THORNBERRY ON JAMES HUNT'S RADIO SHOW
September 26, 1994

Caller:

Yes, Mr. Thornberry, I understand this is your first time to run for office and I just wanted to let you know, first of all, I admire people who, who run for public office especially in an area this big. As someone who is interested, um, I would like to run sometime myself, I'd like to know how exactly do you campaign full time for this job. I mean, do you just campaign on weekends and work during the day, or how do you feed your family while you campaign is what I guess I'm trying to ask.

Thornberry:

Uh, Uh, Uh, I appreciate the the, what you said. It's, it's not easy, uh, basically we, uh, have to, we, I don't draw a salary because I do campaign full time and so that means, uh, we have to, I have to find other ways to feed my family, uh, on savings and things like that and, uh, so that's what we're doing but, uh, I, I'm doing it because I think it is so critical right now to turn this country around because if Bill Clinton has another two years of guys in Congress that that are willing to go along with him in areas like health care and welfare reform and the other things -- expanded EPA and OSHA regulations -- another two years of that is, is gonna put us so far down the road of government intrusion in our lives that I don't see how we get it out. I think we have got to stop it now and that's why, uh, my wife and I decided to do this at this time.

Caller:

So when I run I can look forward to giving up my income and quitting my job just to campaign?

Thornberry:

That's right and, and also if, if you travel in an area this big you get your vehicle burned up on the side of the road as well so there's all sorts of benefits.

Exhibit 1

UNITED STATES HOUSE OF REPRESENTATIVES FINANCIAL DISCLOSURE STATEMENT Period Covered: January 1, 1992 - <u>December 1, 1993</u>		FORM B For use by candidates for the office of Member and new employees	
<u>William McClellan "Mac" Thornberry</u> <small>(Full Name)</small>			
<u>P.O. Box 1006</u> <small>(Mailing Address)</small>		<u>806/374-5317</u> <small>(Home Telephone)</small>	
<u>Clarendon, TX 79226</u> <small>(City and State)</small>			
Filer Status	<input checked="" type="checkbox"/> Candidate for the House of Representatives	State: <u>Texas</u> District: <u>13th</u>	Date of Election: <u>3-8-94</u>
	<input type="checkbox"/> New officer or employee	Check if Amendment <input type="checkbox"/>	
Employing Office: _____			

RECEIVED
 OFFICE OF THE CLERK
 U.S. HOUSE OF REPRESENTATIVES
 1993 DEC -9 PM 2:51

DEC 06 1993

(Office Use Only)

In all sections, please type or print clearly in black ink.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

Did you or your spouse have "earned" income (e.g., salaries or fees) of more than \$200 from any source in the reporting period? If yes, Complete and Attach Schedule I.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Did you hold any reportable positions on or before the date of filing in the current calendar year? If yes, Complete and Attach Schedule IV.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, Complete and Attach Schedule II.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Did you have any reportable agreement or arrangement with an outside entity? (New employees only; not candidates.) If yes, Complete and Attach Schedule V.	Yes <input type="checkbox"/> No <input type="checkbox"/> <u>N/A</u>
Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, Complete and Attach Schedule III.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Did you receive compensation of more than \$5,000 from a single source in the two prior years? If yes, Complete and Attach Schedule VI.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Each question in this part must be answered.		Attach the appropriate schedule for each "Yes" response.	

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS —Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See instructions, page 10.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
EXEMPTION —Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See instructions, page 11.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (5 U.S.C. app. 6, § 101 et seq.). The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (See 5 U.S.C. app. 6, § 104 and 18 U.S.C. § 1001).	
SIGNATURE OF REPORTING INDIVIDUAL <u>William L. "Mac" Thornberry</u>	DATE (Month, Day, Year) <u>12-6-93</u>

Exhibit 2

15115987051

Thornberry, William M.

List the source, type, and amount of earned income, including honoraria, from any source (other than your current employment by the U.S. Government) totaling \$500 or more during the current year to the filing date and, separately, the preceding calendar year. For a spouse, only the source, not amount of earned income, needs to be reported, except for honoraria, for which the source and amount must be reported. See instructions, page 12.

Schedule I

2 5 1 1 3 6 3 4 5 5 2

IN BLOCK A report (a) the identity of each asset held for investment or production of income which had a fair market value exceeding \$1,000 as of the end of the reporting period and (b) any other asset or source of income which generated \$300 or more in "unearned" income during the period. Exclude: Any personal liability owed to you by your spouse, or by you or your spouse's child, parent, or sibling; any deposits totaling \$5,000 or less in personal savings accounts; and, financial interests in or income derived from U.S. Government retirement programs. For rental property or land, provide a city and street address or lot number.

In BLOCK B, indicate the category of value for each asset listed in Block A. If you use a valuation method other than fair market value, please specify the method used. If an asset was sold and is included only because it generated income, the value should be "None."

IN BLOCK C, indicate the type and category of value of "deferred" income for the current year to the filing date and, separately, the preceding calendar year, from assets and sources listed in Block A. For IRAs and retirement plans that are not self-directed, you may list only the value and indicate "NA" for income. You must, however, name the institution holding the IRA.

If you wish to indicate that an asset, income source, or income is that of your spouse or dependent child, you may do so in the column for that purpose on the far left. (This column is optional.)

For further information, see instructions, pages 14-18.

Information current as of the following date: Dec. 1, 1993 (Must be within 31 days of filing date)

[illegible]

For additional assets and unearned income, use next page

Page 3 of 5

Schedule II

SCHEDULE III - LIABILITIES

Reporting Individual's Name

Thornberry, William M.

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, child, parent, or sibling of the reporting individual or the reporting individual's spouse. For further information, see instructions, page 21.

S, DC, JT	Creditor	Type of Liability	Category of Amount or Value (X)							
			B \$10,001 - \$25,000	C \$25,001 - \$50,000	D \$50,001 - \$100,000	E \$100,001 - \$250,000	F \$250,001 - \$500,000	G \$500,001 - \$1,000,000	H Over \$1,000,000	
	Example: First Bank of Wilmington, Delaware	Mortgage on 162 Main Street, Dover, Del.				X				
	Amarillo National Bank, Amarillo, Texas (Thornberry Brothers)	Mortgage on real property in Dwyer County		...	X					
							
							...			

SCHEDULE IV - POSITIONS

Report all positions, compensated or uncompensated, held on or before the date of filing during the current calendar year and in the two prior years as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. For further information, see instructions, page 26.

EXCLUSIONS: Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature need not be shown.

Position	Name of Organization
Partner	Thornberry Brothers - cattle business
Shareholder	Peterson, Farbis, Dwyer & Jones - law firm
Director	Children's Rehabilitation Center - charity
Director	High Plains Food Bank - charity

Use additional sheets if more space is required.

Page 4 of 5

Schedules III & IV

1543621154

SCHEDULE V - AGREEMENTS (FOR NEW EMPLOYEES ONLY, NOT CANDIDATES)

Reporting Individual's Name
Thornberry, William M.

Identify the date, parties to, and terms of any agreement or arrangement with respect to future employment; a leave of absence during the period of government service; continuation or deferral of payments by a former or current employer other than the U.S. Government; or continuing participation in an employee welfare or benefit plan maintained by a former employer. For further information, see instructions, page 28.

Date	Parties To	Terms of Agreement

SCHEDULE VI - COMPENSATION IN EXCESS OF \$5,000 PAID BY ONE SOURCE

Report sources of such compensation received by you or your business affiliation for services provided directly by you during the two prior years. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source. For further information, see instructions, page 28.

Source (Name and Address)		Brief Description of Duties
Examples	Doc Jones & Smith, Hometown, USA	Accounting services
	State University (client of Doc Jones & Smith), Moneytown, USA	Legal services in connection with university construction
	Peterson, Farris, Doores & Jones	Legal services
	Thornberry Brothers	Cattle profits



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 13, 1994

Bob Slagle, Chairman
Texas Democratic Party
815 Brazos Suite #200
Austin, TX 78701

RE: MUR 4078

Dear Mr. Slagle:

This letter acknowledges receipt on October 6, 1994, of your complaint which you filed on behalf of the Texas Democratic Party, 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 4078. 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.

25043631156



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 13, 1994

Dr. Charles E. Deyhle, Treasurer
Thornberry for Congress
P.O. Box 1006
Clarendon, TX 79226

RE: MUR 4078

Dear Dr. Deyhle:

The Federal Election Commission received a complaint which indicates that Thornberry 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 4078. 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.

5043631157

If you have any questions, please contact Alva E. Smith 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

15043631158



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 13, 1994

William McClellan "Mac" Thornberry
P.O. Box 1006
Clarendon, TX 79226

RE: MUR 4078

Dear Mr. Thornberry:

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 4078. 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.

25043631159

If you have any questions, please contact Alva E. Smith 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

25043631160



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 13, 1994

Barry D. Peterson, Registered Agent
Peterson, Farris, Doores & Jones
Amarillo Plaza II, Suite 400
Amarillo, TX 79101

RE: MUR 4078

Dear Mr. Peterson:

The Federal Election Commission received a complaint which indicates that Peterson, Farris, Doores & Jones 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 4078. 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 Peterson, Farris, Doores & Jones 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.

If you have any questions, please contact Alva E. Smith 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

25043631162



October 20, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
OCT 20 12 47 PM '94

Ms. Mary L. Taksar, Attorney
Central Enforcement Docket
Federal Election Commission
Washington, D.C. 20463

RE: MUR 4078

Dear Ms. Taksar :

Enclosed is my response to the complaint filed by Bob Slagle, Chairman of the Texas Democratic Party. It is in the form of an affidavit with attachments. I understand a separate response will be submitted by the law firm with which I am associated, Peterson, Farris, Doores and Jones.

If there should be any additional questions or clarifications, please let me know.

Sincerely,

Mac Thornberry

P. O. Box 1006
Clarendon, TX 79226

P. O. Box 158
Wichita Falls, TX 76307

P. O. Box 9392
Amarillo, TX 79105

AFFIDAVIT

STATE OF TEXAS)

COUNTY OF POTTER)

BEFORE ME, the undersigned authority, on this day personally appeared William M. "Mac" Thornberry, who on his oath deposed and stated as follows:

"My name is William M. "Mac" Thornberry. I am over the age of eighteen years, competent to make this affidavit, and have never been convicted of a crime.

"The allegation that I was paid a salary in advance by the law firm for 1994 is not true. During 1994, the firm received approximately \$32,000 from billings for my work. I worked a significant amount during the months of January, March, April and May, 1994. I received one-half of my salary during the months of January, March, April and May 1994. I have drawn no salary for February, June, July, August, September, or October 1994.

"At the end of 1993, I was paid a distribution of profits based upon the firm's profit for the year and my percentage share of the firm's billings. The distribution of profits were paid to all shareholders and amounts were calculated according to the shareholders agreement.. In no way did the 1993 distribution of profits have anything to do with my work in 1994.

"The amounts in our bank accounts at the end of 1993 were less than the minimum \$5,000. My wife and I used our distribution of profits from the law firm to pay bills.

"Other than the money in our bank accounts and the partial paychecks from the law firm, I have received a small amount of income from my partnership with my brothers in cattle and I have taken a personal loan from Amarillo National Bank for personal living expenses. None of the money from Amarillo National Bank has been used for campaign purposes. Attached hereto is a true and correct copy of a letter from Amarillo National Bank confirming that I have a loan there for personal living expenses with a regular interest rate and normal repayment terms.

"I continue to be a shareholder in the law firm of Peterson, Farris, Doores & Jones, although I have not worked there or drawn a salary there for several months. I do not use my office there for campaign business and my secretary has been reassigned to other lawyers for the remainder of the campaign.

"I believe that the complaint filed against me was filed solely in an attempt to obtain a political advantage in the current campaign and to distract attention from the very serious charges related to my opponent which are currently being investigated. The allegations regarding my law firm were first made in response to questions I raised related to Mr. Sarpalius and Sherwood Van Lines. A copy of a newspaper article reflecting these questions and these allegations is attached.

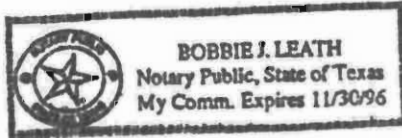
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
Clerk
Oct 28 12 47 PM '94

25043631164

"Further affiant sayeth not."

William M. "Mac" Thornberry

SUBSCRIBED AND SWORN TO BEFORE ME, on this the 27th day of
October, 1994.



Bobbie J. Leath
Notary Public, State of Texas

5 9 4 3 6 3 1 1 6 5

**Amarillo National Bank**

W. WADE PORTER
EXECUTIVE VICE PRESIDENT

September 30, 1994

To Whom It May Concern:

Mac Thornberry has requested that I confirm that Amarillo National Bank has extended credit to Mac and his wife Sally for personal expenses. The interest rate and terms of the credit are similar to loans of a similar nature and quality extended in Amarillo National Bank's market area. In other words, the rate and terms are normal and are not preferential in any way.

Sincerely,

W. Wade Porter
Executive Vice President

WWP:mgc

25043631186

Financial misconduct alleged by congressional candidates

By JIM McBRIDE

Globe News Special Projects Writer

The Republican congressional challenger and incumbent U.S. Rep. Bill Sarpalius on Thursday accused each other of financial misconduct in their 13th Congressional District races.

On Thursday, Republican candidate William "Mac" Thornberry called for an investigation into Sarpalius' ties to a San Antonio moving company whose president has been indicted on charges of making illegal campaign contributions.

Meanwhile, Sarpalius, D-Amarillo, accused Thornberry of accepting illegal campaign contributions from a law firm he is a partner in and said a Federal Election Commission complaint will be filed, alleging Thornberry received illegal income from the firm during the campaign.

"Today I call on Bill Sarpalius to request an immediate voluntary investigation by the House Ethics Committee and the Justice Department into his relationship with Sherwood Van Lines," Thornberry said during a news conference at his Amarillo headquarters.

An article in Monday's Roll Call, a newspaper that covers congressional issues, said Sarpalius received a \$2,000 honorarium from Sherwood Van Lines, a San Antonio company, for his participation in a January 1989 company convention in Las Vegas and did not report the honorarium.

In a statement, Sarpalius said his failure to report the honorarium in his 1989 financial disclosure statement was an oversight and that he has amended his disclosure statement, which was accepted by the Standards for Official Conduct Committee.

"I clearly accept my responsibility for this omission, but I believe the fact that I reported 14 other honorariums indicates it was not a deliberate omission. I apologize for and deeply regret this mistake," he said.

Phil Duncan, Sarpalius' chief of staff, said Sarpalius has amended his 1989 income tax return and paid taxes for the honorarium.

According to The Associated Press, Sherwood's former president, Leslie Alfred Taber, was indicted Sept. 1 on charges of illegally funneling \$111,000 in to 10 current and former lawmakers, including Sarpalius. The San Antonio Express-News reported that none of the lawmakers was accused of committing an illegal act.

Sarpalius' statement said the FEC advised him that a \$1,000 contribution from Taber's wife was not an illegal one and that he has reimbursed Mrs. Taber.

"He needs to get all the facts out," Thornberry said. "The same company that gave him an illegal contribution and a \$2,000 honorarium which he didn't report also is the company that moved him to Washington, charged him about half price according to Roll Call, and it's a bill that he has never paid."

Sarpalius said he doesn't plan to pay the \$1,700 moving bill from Sherwood Van Lines because the company lost some of his property during a move to Washington in January 1989. His campaign also released a copy of a 1989 letter asking the company if the property had been located.

The Amarillo Democrat also lashed out at Thornberry, accusing the Amarillo attorney of taking illegal contributions from the law firm of Peterson, Farris, Doores & Jones in Amarillo, where he has worked as an attorney.

Duncan, Sarpalius' chief of staff, alleged that Thornberry has drawn illegal campaign contributions in the form of a \$70,000 salary while he has been campaigning.

"Our allegation is a hell of a lot more serious than his," Duncan said. "There's no implication here of any violation of law. We made a mistake on that (honorarium) omission. . . . If we've got a \$70,000 illegal campaign contribution here, there's a lot of people in trouble."

When asked if he received a salary from the firm, Thornberry said he has lived off savings accounts, meat from his family's cattle operations and has taken out a loan for living expenses during the campaign.

"I worked for the law firm about half time from the end of the primary until sometime in May, and I received about half-salary, sometimes a little less, depending on the hours I worked each month. "Since I have been campaigning full time I have not received a dime from the law firm. . . . I don't remember exactly when we started the loan, but it's with a bank, it's there and we have to pay it back."

Duncan said Thornberry hasn't reported a savings account in his December 1993 financial disclosure forms.

"He does not report any savings. I'm sure there will be an additional complaint on that if he's now saying that he had savings accounts then and didn't report them," he said. "This would actually have some criminal penalties under law."

PETERSON FARRIS DOORES & JONES

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
PLAZA TWO, FOURTH FLOOR
AMARILLO NATIONAL BANK
AMARILLO, TEXAS
806/374-5317
FAX: 806/373-2167

Oct 29 8 35 AM '94

JAMES H. DOORES
BARRY D. PETERSON
JAMES T. CAMPBELL
THOMAS D. FARRIS
MARVIN W. JONES
DANIEL W. BURROWS
WILLIAM M. THORNBERRY
BART N. FRUITT
CHRIS D. PARKER
BRIAN P. HEINRICH
MICHAEL J. SHARPEE

Mailing address:
P.O. Box 9620
Amarillo, TX 79101-9620

October 26, 1994

• Board Certified Civil Trial Law
• Board Certified Estate Planning & Probate Law

Office of General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 4078

Ladies/Gentlemen:

This will provide the response of Peterson, Farris, Doores & Jones, a professional corporation, to the referenced complaint, filed by Bob Slagle, chairman of the Texas Democratic Party.

Mr. Slagle's complaint is a fabrication, made in an attempt to draw public attention away from news reports about the criminal investigation being conducted by the Justice Department involving contributions to Congressman Bill Sarpalius, the Democrat currently representing the 13th Congressional District of Texas. The Republican candidate for the seat currently held by Congressman Sarpalius is William M. Thornberry, a shareholder of this firm.

Mr. Slagle's statement in his complaint that our firm advanced Mr. Thornberry his 1994 salary is a lie. Shareholders of our firm are paid a monthly salary. Mr. Thornberry has been paid a reduced salary for months during 1994 that he performed a significant amount of work for the firm, and no salary at all for other months. Specifically, Mr. Thornberry received a gross salary of (half his normal salary) for each of the months of January, March, April and May, 1994, totalling By any method of calculating the total value of compensation he has received from this firm during 1994, including employee benefits such as group health and disability insurance and 401(k) plan matching contributions, that total value does not exceed \$15,200.27. The firm has not paid Mr. Thornberry any salary in advance, during 1994 or at any other time. All compensation paid Mr. Thornberry by this firm has been paid at the same time as, and (except for the reduction in his salary) on a proportionate basis with, compensation paid all other shareholders of this firm.

In the first paragraph of his complaint, Mr. Slagle also uses the term "unlawful personal loan." That statement also is a lie. This firm has made no loans to Mr. Thornberry or his campaign, in the form of a salary advance or in any other form.

This firm's payroll is handled by the Amarillo certified public accounting firm of Leon Hoyt & Co., L.L.P., which maintains complete payroll records, prepares all governmental reports concerning payroll matters, and prepares the firm's income tax returns. We have not submitted copies of any such records with this response, but the records are available. We have enclosed a letter from that accounting firm.

Mr. Slagle's complaint alleges also that this firm improperly has maintained an office and secretary for Mr. Thornberry's use at a time that he is not working, and alleges that our firm "claims he is on a leave of absence, and has not worked there since May." Mr. Thornberry is not "on a leave of absence," and our firm has never "claimed" that he is. Mr. Thornberry practices civil trial law. Although other lawyers of the firm have assumed responsibility for most of Mr. Thornberry's cases, he remains counsel of record in a number of pending cases. The firm maintains Mr. Thornberry's office for his use in conducting this firm's law practice, and for no other purpose. Mr. Thornberry has not used the office for purposes of his campaign. He maintains a staffed campaign office across town.

At the time Mr. Thornberry became a candidate for office, he was sharing a secretary with another lawyer of the firm. During the time that Mr. Thornberry has been away from the office campaigning, that secretary has continued to work with other lawyers of the firm (one of whom has joined the firm this year). As is the case when any lawyer of our firm is away from the office, telephone calls to Mr. Thornberry's office are referred to his secretary. That practice, and his secretary's continued employment by this firm, are solely for the firm's benefit and have nothing whatever to do with Mr. Thornberry's campaign.

Mr. Slagle's complaint mischaracterizes even the information contained in the exhibits to his complaint. Exhibit 1 states that it is a transcript of a call to Mr. Thornberry on a radio call-in show on September 26, 1994. (While we do not know whether the transcript is accurate, we accept it as so for purposes of this response.) The transcript quotes Mr. Thornberry as saying "I don't draw a salary because I do campaign full time." Mr. Thornberry has drawn no salary from this firm since June 1, so his statement, made in September, is certainly accurate.

Mr. Slagle's Exhibit 2 does nothing to support his complaint but, again, he mischaracterizes the information contained in it. Schedule 1 to the disclosure statement reports Mr. Thornberry's 1993 salary from this firm through the date of the disclosure statement, and reports Mr. Thornberry's income from his cattle business conducted in partnership with his brothers. Ignoring that information, Mr. Slagle states that the disclosure statement reports "no other income-producing assets."

Mr. Slagle states that he makes his allegations "upon information and belief." While we do not know what Mr. Slagle believes, neither his complaint or its exhibits provide any information to support his allegations. That is because his allegations are not true.

Office of General Counsel
October 26, 1994
Page 3

PETERSON, FARRIS, DOORES & JONES

To aid the Commission in understanding the reasons for Mr. Slagle's submission of his complaint, we enclose copies of press releases from Congressman Sarpalius' campaign and from the Texas Democratic campaign office concerning this matter. They tell the real story behind Mr. Slagle's complaint, the sorry story of people such as Mr. Slagle willing to slander the reputations of others for their own political purposes.

There is but one statement in Mr. Slagle's complaint with which we agree. While we doubt that your office will waste any more of your time on this matter, if you decide to do so, we agree with his request that you do so as soon as possible.

Very truly yours,

PETERSON, FARRIS, DOORES & JONES,
a professional corporation

By:

James T. Campbell

JTC/tp
Encl.

LEON L. HOYT & COMPANY, L.L.

CERTIFIED PUBLIC ACCOUNTANTS

SUITE 1600 AMARILLO NATIONAL BANK BUILDING

410 S. TAYLOR ST.

AMARILLO, TEXAS 79101-1565

TELEPHONE (806) 378-6312

FAX (806) 373-2244

D.N. PERKINS, CPA
JIM SHAFER, CPA
JANICE K. BIRKHOLZ, CPA

SAMUEL B. LOVELADY, CPA
CLAY ALLEN, CPA
MARK CHRISTY, CPA

October 26, 1994

Office of General Counsel
Federal Election Commission
Washington, DC 20463

Gentlemen:

This letter is written for the purpose of submission to you with the response of Peterson, Farris, Doores & Jones, a professional corporation, to the complaint concerning alleged improper payments to William M. Thornberry, a shareholder of that firm. Leon Hoyt & Company, L.L.P. handles the payroll of Peterson, Farris, Doores & Jones and has done so for some years.

Our records reflect that Mr. Thornberry has received gross salaries of during 1994 to date, through checks dated January 31, March 31, April 30 and May 31, 1994. Our records do not reflect any other payments to him, other than benefits provided all lawyers of that firm.

Very truly yours,

D. N. Perkins

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RE-ELECT
Bill
SARPALIUS
U.S. CONGRESS

September 29, 1994

STATEMENT OF CONGRESSMAN BILL SARPALIUS REGARDING THORNBERRY
NEWS CONFERENCE

I would like to make the following information available to the news media today regarding allegations by Mr. Thornberry regarding a story in a Washington, D.C. tabloid, Roll Call on September 26. Additionally, I would like for the media to raise the issue with Mr. Thornberry regarding the source of his income for this year while he has been campaigning full-time for office.

Unfortunately, Mac Thornberry has chosen to again resort to negative campaigning and mudslinging. If you listen to my radio spots you will clearly see that I am running a positive campaign on the issues. Mr. Thornberry has clearly changed the course and direction of this campaign.

It should be noted that Mr. Thornberry appeared on KGNC-AM Radio in Amarillo on James Hunt's Forum talk show Monday, September 26 and when asked how he was supporting himself and his family without working this year, he said he was doing so from his savings. (A transcript of that portion of the radio show is attached.)

When he filed as a candidate for office, Mr. Thornberry was required to file a financial disclosure statement with the U.S. House of Representatives. (The statement was filed on December 9, 1993 and a copy of Mr. Thornberry's filing is attached.)

Candidates and incumbents are required to list deposits in

TRANSCRIPT OF CALL TO MAC THORNBERRY ON JAMES HUNT'S RADIO SHOW
September 26, 1994

Caller:

Yes, Mr. Thornberry, I understand this is your first time to run for office and I just wanted to let you know, first of all, I admire people who, who run for public office especially in an area this big. As someone who is interested, um, I would like to run sometime myself, I'd like to know how exactly do you campaign full time for this job. I mean, do you just campaign on weekends and work during the day, or how do you feed your family while you campaign is what I guess I'm trying to ask.

Thornberry:

Uh, Uh, Uh, I appreciate the the, what you said. It's, it's not easy, uh, basically we, uh, have to, we, I don't draw a salary because I do campaign full time and so that means, uh, we have to, I have to find other ways to feed my family, uh, on savings and things like that and, uh, so that's what we're doing but, uh, I, I'm doing it because I think it is so critical right now to turn this country around because if Bill Clinton has another two years of guys in Congress that that are willing to go along with him in areas like health care and welfare reform and the other things -- expanded EPA and OSHA regulations -- another two years of that is, is gonna put us so far down the road of government intrusion in our lives that I don't see how we get it out. I think we have got to stop it now and that's why, uh, my wife and I decided to do this at this time.

Caller:

So when I run I can look forward to giving up my income and quitting my job just to campaign?

Thornberry:

That's right and, and also if, if you travel in an area this big you get your vehicle burned up on the side of the road as well so there's all sorts of benefits.

personal savings accounts, certificates of deposit or any other form of deposit in a bank, savings and loan association, credit union, or similar financial institution.

If you refer to "Schedule II -- Assets and Unearned Income" where Mr. Thornberry should have reported savings accounts that he now claims he is using for living expenses, you will note that no such savings accounts are included in the report. This begs the question of why Mr. Thornberry said he is living from his savings, but failed to report them.

I would hope that Mr. Thornberry will be asked by the media at his news conference just exactly what his source of income is for this year. It is expected that a formal complaint will be filed with the Federal Election Commission during the next few days alleging that Mr. Thornberry's source of income is derived from an illegal contribution from a corporate law firm. It is my understanding that the allegations will cite both the illegality of a corporate contribution and the fact that the contribution far exceeds the \$1,000 per election limit that an individual in the law firm would have been able to legally contribute to Mr. Thornberry.

As to the issue of Sherwood Van Lines as reported in Roll Call, I would like to address the following points that I am sure Mr. Thornberry will make today:

1. In the first or second week of January, 1989, about a week after I was sworn in as Congressman for the first time, I was invited to participate in a panel discussion with several other Members of Congress at the annual convention of Sherwood Van Lines. I was paid a \$2,000 honorarium for that speech. It was my first such trip and I

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neglected to report that honorarium on my 1989 report. I had not assembled a complete staff at the time of that speech and I inadvertently overlooked it. I did report 14 other honorariums on my 1989 report, so clearly the Sherwood omission was just an oversight. It should also be pointed out that each of the honorariums I reported sent me an IRS Form 1099. Sherwood did not send me that form. Last year, I became aware that questions were being raised regarding Sherwood Van Lines and I researched every aspect of my contacts with that company. It was then that I discovered my oversight and I immediately filed an amendment to my 1989 Financial Disclosure Statement and it was accepted by the Standards of Official Conduct Committee. (Letter attached.) I clearly accept my responsibility for this omission, but I believe the fact that I reported 14 other honorariums indicates it was not a deliberate omission. I apologize for and deeply regret this honest mistake.

2. As to the issue of Sherwood Van Lines moving my household goods from Amarillo to Washington, D.C. in January, 1989 I would offer the following information. I contacted Sherwood for a quote after I was told by another Member-elect that they had given him a competitive bid. I was single at the time and lived in a two-bedroom apartment in Amarillo and had very few furnishings. Additionally, in September of 1988 my apartment flooded and most of my belongings were destroyed. The quote for the move was \$1,736.23. When my belongings arrived in Washington, D.C. in January, 1989, I started unpacking and determined that there was considerable damage caused by Sherwood and that several boxes were missing. I talked with Sherwood by telephone on several occasions and they called me on numerous occasions saying

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they could not locate the boxes and they made no offer to repair the damage to my household goods. On January 26, 1989, I received a letter from Sherwood Van Lines that indicated they had not found my belongings. (Letter attached.) Numerous other telephone calls ensued, but to no avail. On September 20, 1989, I sent a letter to Sherwood Van Lines (Letter attached) to document once again my missing items. One box contained the few items, including family photo albums, that I received from my mother prior to her death and awards, certificates and other mementos I received at Cal Farley's Boys Ranch. Those items are priceless to me. I have reported the \$1,736.23 as an outstanding obligation of my campaign to the Federal Election Commission starting with the July 31, 1989 Mid-Year Report and in every single one of the 23 FEC reports that I have submitted since that time. These reports are available to the media on request from the FEC. I have considered the debt to be in dispute from day one and do not intend to pay such debt until Sherwood Van Lines locates my missing property.

3. While the issue of a \$1,000 contribution in 1990 from an Ilene Taber to my campaign was not mentioned in the Roll Call article, it was mentioned in other media reports. The Department of Justice has indicted the former president of Sherwood Van Lines, Mr. Charles Leslie Taber, alleging that he had his wife make contributions to 10 campaigns to current and former Members of Congress in 1990. The government alleges that Mr. Taber, after the fact, took corporate funds from Sherwood and reimbursed his wife's bank account. The Associated Press has said that no Member of Congress or Mrs. Taber are accused of any wrong-doing. While I did receive a contribution from Mrs. Taber, it is not included in the

11-count indictment against Mr. Taber. I have no way of knowing whether or not his alleged reimbursement applied to my contribution, but since it was not one of the counts in Mr. Taber's indictment, I assume it was not. Regardless of whether it was or not, on September 15, 1994, I contacted the Federal Election Commission and discussed the issue with them. It was their contention that it was a legal contribution as it regarded my campaign and need not be returned. I made the decision to return the contribution so as to end discussion of the issue and the FEC said I should return the contribution to Mrs. Taber if I was intent on reimbursing what appeared to them to be a legal contribution. I did so on that date.

I have totally and completely complied with the letter and the spirit of the law with regard to my dealings with Sherwood Van Lines and trust that Mr. Thornberry will be equally forthcoming and truthful with you today with regard to his source of income during this calendar year.

05043631177

UNITY 94

The Coordinated Campaign for Texas Democrats

Contact: Joe Cutbirth
512-474-1798

FOR IMMEDIATE RELEASE
Oct. 7, 1994

Mac the knife cuts himself a special deal

AUSTIN Texas Democrats this week filed a complaint with the Federal Election Commission that charges Republican Congressional candidate Mac Thornberry has received an illegal campaign loan.

The situation is so egregious that Democratic Party officials today traveled to Wichita Falls and Amarillo to call on Thornberry to explain the situation.

It is the first FEC complaint filed this year by the Texas Democratic Party.

"Mac Thornberry's campaign has lost its last ounce of integrity," said Harold Cook, director of Unity 94, the coordinated campaign for Texas Democrats.

"Either Thornberry has lied to federal authorities, or he lied to voters in the 13th District or both," Cook said. "The people of the 13th District deserve better than that."

During a recent appearance on KQNC radio, Thornberry said he campaigns full-time and that he is living off his savings. But financial reports filed with the U.S. House clerk show that Thornberry has little or no savings and no other income-producing assets.

Thornberry also has said that he no longer draws a salary from his law firm, but telephone inquiries show the firm apparently maintains an office for him that he would have voters believe he no longer keeps.

The firm also pays a secretary that Thornberry would have voters believe he has no visible need for.

"It's time for Mac Thornberry to come clean," Cook said. "Either he has a secret benefactor, or he's tried to hide money on his campaign reports. Either way, he isn't what he claims."

Cook said that District 13 is accustomed to having a strong, independent voice in Rep. Bill Sarpalius.

"Voters know who Bill Sarpalius is and they know what he stands for," Cook said. "The know he isn't in any one's pocket and that he doesn't listen to the Washington crowd. Bill Sarpalius is fighting for the people of the 13th District."

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RECEIVED
FEDERAL ELECTION
COMMISSION
JAN 11 1995

BEFORE THE FEDERAL ELECTION COMMISSION JAN '95

SENSITIVE

In the Matter of

)
) Enforcement Priority
)

GENERAL COUNSEL'S MONTHLY REPORT

I. INTRODUCTION

This report is the General Counsel's Monthly Report to recommend that the Commission no longer pursue the identified lower priority and stale cases under the Enforcement Priority System.

II. CASES RECOMMENDED FOR CLOSING

A. Cases Not Warranting Further Pursuit Relative to Other Cases Pending Before the Commission

A critical component of the Priority System is identifying those pending cases that do not warrant the further expenditure of resources. Each incoming matter is evaluated using Commission-approved criteria and cases that, based on their rating, do not warrant pursuit relative to other pending cases are placed in this category. By closing such cases, the Commission is able to use its limited resources to focus on more important cases.

Having evaluated incoming matters, this Office has identified 22 cases which do not warrant further pursuit relative to the other pending cases.¹ A short description of

1. These matters are: PM 305; MUR 3976; MUR 4023; MUR 4026; MUR 4031; MUR 4032; MUR 4036; MUR 4050; MUR 4051; MUR 4052; MUR 4055; MUR 4056; MUR 4058; MUR 4063; MUR 4068; MUR 4072; MUR 4073; MUR 4075; MUR 4078; MUR 4081; MUR 4082; and MUR 4083.

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each case and the factors leading to assignment of a relatively low priority and consequent recommendation not to pursue each case is attached to this report. See Attachments 1-22. For the Commission's convenience, the responses to the complaints for the externally-generated matters and the referral for the internally-generated matter are available in the Commission Secretary's office.

B. Stale Cases

Investigations are severely impeded and require relatively more resources when the activity and evidence are old. Consequently, the Office of General Counsel recommends that the Commission focus its efforts on cases involving more recent activity. Such efforts will also generate more impact on the current electoral process and are a more efficient allocation of our limited resources. To this end, this Office has identified 9 cases that have remained inactive and assigned to the Central Enforcement Docket for one year and which it believes do not warrant further investment of significant Commission resources.² Since the recommendation not to pursue the identified cases is based on staleness, this Office has not prepared separate narratives for these cases. However, for the Commission's convenience, the responses to the complaints for the externally-generated matters and the referrals for the internally-generated matters are also available in the

2. These matters are: MUR 3828; MUR 3829; RAD 93L-73; RAD 93L-75; RAD 93L-78; RAD 93L-83; RAD 93L-84; RAD 93L-88; and RAD 93L-91.

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Commission Secretary's office.

This Office recommends that the Commission exercise its prosecutorial discretion and no longer pursue the cases listed below effective February 21, 1995. By closing the cases effective February 21, 1995, CED and the Legal Review Team will respectively have the additional time necessary for preparing the closing letters and the case files for the public record for these cases.

III. RECOMMENDATIONS

A. Decline to open a MUR and close the file effective February 21, 1995 in the following matters:

- 1) RAD 93L-73
- 2) RAD 93L-75
- 3) RAD 93L-78
- 4) RAD 93L-83
- 5) RAD 93L-84
- 6) RAD 93L-88
- 7) RAD 93L-91

B. Decline to open a MUR, close the file effective February 21, 1995 and approve the appropriate letter in PM 305.

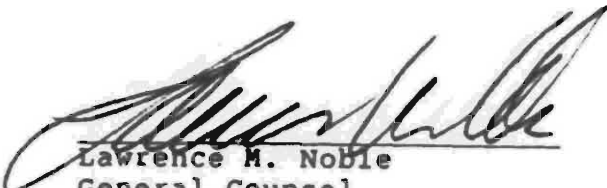
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C. Take no action, close the file effective February 21, 1995, and approve the appropriate letter in the following matters:

- 1) MUR 3828
- 2) MUR 3829
- 3) MUR 3976
- 4) MUR 4023
- 5) MUR 4026
- 6) MUR 4031
- 7) MUR 4032
- 8) MUR 4036
- 9) MUR 4050
- 10) MUR 4051
- 11) MUR 4052
- 12) MUR 4055
- 13) MUR 4056
- 14) MUR 4058
- 15) MUR 4063
- 16) MUR 4068
- 17) MUR 4072
- 18) MUR 4073
- 19) MUR 4075
- 20) MUR 4078
- 21) MUR 4081
- 22) MUR 4082
- 23) MUR 4083

25043631182
Date

2/13/95


Lawrence M. Noble
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Enforcement Priority)

AMENDED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that the Commission decided by a vote of 6-0 on February 16, 1995, to take the following actions with respect to the General Counsel's February 13, 1995 report on enforcement priority:

- A. Decline to open a MUR and close the file effective February 21, 1995 in the following matters:
- 1) RAD 93L-73
 - 2) RAD 93L-83
 - 3) RAD 93L-88
- B. Decline to open a MUR, close the file effective February 21, 1995 and approve the appropriate letter in PM 305.
- C. Take no action, close the file effective February 21, 1995, and approve the appropriate letter in the following matters:
- 1) MUR 3829
 - 2) MUR 4023
 - 3) MUR 4036

(continued)

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Federal Election Commission
Certification: Enforcement Priority
February 16, 1995

Page 2

4) MUR 4050
5) MUR 4051
6) MUR 4052
7) MUR 4055
8) MUR 4063
9) MUR 4072
10) MUR 4073
11) MUR 4075
12) MUR 4078
13) MUR 4081
14) MUR 4082
15) MUR 3976

Commissioners Aikens, Elliott, McDonald, McGarry,
Potter, and Thomas voted affirmatively for the decision.

Attest:

2-21-95
Date

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

25043631184



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 27, 1995

Bob Slagle, Chairman
Texas Democratic Party
815 Brazos Suite #200
Austin, TX 78701

RE: MUR 4078

Dear Mr. Slagle:

On October 6, 1994, 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 William McClellan "Mac" Thornberry, Thornberry for Congress and Dr. Charles E. Deyhle, as treasurer, and Peterson, Farris, Doores & Jones. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995. 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,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment
Narrative

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5043631188
MUR 4078

THORNBERRY FOR CONGRESS

The Texas Democratic Party filed a complaint alleging that the Thornberry Committee accepted an illegal corporate contribution as a result of a salary advance Mac Thornberry received from his employer, the incorporated law firm of Peterson, Farris, Doores & Jones, in 1994. The complaint states that while Mr. Thornberry is on leave, the firm still maintains an office and phone for him and that this arrangement results in an illegal corporate contribution.

In response to the complaint, Mac Thornberry states that he performed a significant amount of work for the firm in January, March, April, and May 1994 and received one-half of his monthly salary during these months. Mr. Thornberry also states that at the end of 1993, he was paid a distribution of profits based upon the firm's profits for the year and his percentage share of the firm's billings. According to Mr. Thornberry, he did not use his office at the firm for campaign purposes and his secretary was reassigned to other lawyers during the remainder of the campaign.

Peterson, Farris, Doores & Jones responds that Mr. Thornberry received a reduced salary for months during 1994 when he performed work for the firm and no salary for the months in which he performed no work. The firm states that it did not provide an advance of salary to Mr. Thornberry during 1994 or at any other time. According to the firm, it maintained Mr. Thornberry's office for use in conducting the firm's practice and Mr. Thornberry did not use the office for campaign purposes.

This matter involves less significant issues relative to other matters pending before the Commission and there is no indication of any serious intent to violate FECA.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1995

Dr. Charles E. Deyhle, Treasurer
Thornberry for Congress
P.O. Box 1006
Clarendon, TX 79226

RE: MUR 4078

Dear Dr. Deyhle:

On October 13, 1994, the Federal Election Commission notified you 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 Thornberry for Congress and you, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995.

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.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment
Narrative

25943631187

MUR 4078
THORNBERRY FOR CONGRESS

The Texas Democratic Party filed a complaint alleging that the Thornberry Committee accepted an illegal corporate contribution as a result of a salary advance Mac Thornberry received from his employer, the incorporated law firm of Peterson, Farris, Doores & Jones, in 1994. The complaint states that while Mr. Thornberry is on leave, the firm still maintains an office and phone for him and that this arrangement results in an illegal corporate contribution.

In response to the complaint, Mac Thornberry states that he performed a significant amount of work for the firm in January, March, April, and May 1994 and received one-half of his monthly salary during these months. Mr. Thornberry also states that at the end of 1993, he was paid a distribution of profits based upon the firm's profits for the year and his percentage share of the firm's billings. According to Mr. Thornberry, he did not use his office at the firm for campaign purposes and his secretary was reassigned to other lawyers during the remainder of the campaign.

Peterson, Farris, Doores & Jones responds that Mr. Thornberry received a reduced salary for months during 1994 when he performed work for the firm and no salary for the months in which he performed no work. The firm states that it did not provide an advance of salary to Mr. Thornberry during 1994 or at any other time. According to the firm, it maintained Mr. Thornberry's office for use in conducting the firm's practice and Mr. Thornberry did not use the office for campaign purposes.

This matter involves less significant issues relative to other matters pending before the Commission and there is no indication of any serious intent to violate FECA.

50431188



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1995

William McClellan "Mac" Thornberry
P.O. Box 1006
Clarendon, TX 79226

RE: MUR 4078

Dear Mr. Thornberry:

On October 13, 1994, the Federal Election Commission notified you 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 you. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995.

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.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment
Narrative

15043631189

MUR 4078
THORNBERRY FOR CONGRESS

The Texas Democratic Party filed a complaint alleging that the Thornberry Committee accepted an illegal corporate contribution as a result of a salary advance Mac Thornberry received from his employer, the incorporated law firm of Peterson, Farris, Doores & Jones, in 1994. The complaint states that while Mr. Thornberry is on leave, the firm still maintains an office and phone for him and that this arrangement results in an illegal corporate contribution.

In response to the complaint, Mac Thornberry states that he performed a significant amount of work for the firm in January, March, April, and May 1994 and received one-half of his monthly salary during these months. Mr. Thornberry also states that at the end of 1993, he was paid a distribution of profits based upon the firm's profits for the year and his percentage share of the firm's billings. According to Mr. Thornberry, he did not use his office at the firm for campaign purposes and his secretary was reassigned to other lawyers during the remainder of the campaign.

Peterson, Farris, Doores & Jones responds that Mr. Thornberry received a reduced salary for months during 1994 when he performed work for the firm and no salary for the months in which he performed no work. The firm states that it did not provide an advance of salary to Mr. Thornberry during 1994 or at any other time. According to the firm, it maintained Mr. Thornberry's office for use in conducting the firm's practice and Mr. Thornberry did not use the office for campaign purposes.

This matter involves less significant issues relative to other matters pending before the Commission and there is no indication of any serious intent to violate FECA.

05043831190



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1995

Barry D. Peterson, Registered Agent
Peterson, Farris, Doores & Jones
Amarillo Plaza II, Suite 400
Amarillo, TX 79101

RE: MUR 4078

Dear Mr. Peterson:

On October 13, 1994, the Federal Election Commission notified you 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 Peterson, Farris, Doores & Jones. See attached narrative. Accordingly, the Commission closed its file in this matter on February 21, 1995.

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.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

Mary L. Taksar

Mary L. Taksar
Attorney

Attachment.
Narrative

504363191

MUR 4078

THORNBERRY FOR CONGRESS

The Texas Democratic Party filed a complaint alleging that the Thornberry Committee accepted an illegal corporate contribution as a result of a salary advance Mac Thornberry received from his employer, the incorporated law firm of Peterson, Farris, Doores & Jones, in 1994. The complaint states that while Mr. Thornberry is on leave, the firm still maintains an office and phone for him and that this arrangement results in an illegal corporate contribution.

In response to the complaint, Mac Thornberry states that he performed a significant amount of work for the firm in January, March, April, and May 1994 and received one-half of his monthly salary during these months. Mr. Thornberry also states that at the end of 1993, he was paid a distribution of profits based upon the firm's profits for the year and his percentage share of the firm's billings. According to Mr. Thornberry, he did not use his office at the firm for campaign purposes and his secretary was reassigned to other lawyers during the remainder of the campaign.

Peterson, Farris, Doores & Jones responds that Mr. Thornberry received a reduced salary for months during 1994 when he performed work for the firm and no salary for the months in which he performed no work. The firm states that it did not provide an advance of salary to Mr. Thornberry during 1994 or at any other time. According to the firm, it maintained Mr. Thornberry's office for use in conducting the firm's practice and Mr. Thornberry did not use the office for campaign purposes.

This matter involves less significant issues relative to other matters pending before the Commission and there is no indication of any serious intent to violate FECA.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4078

DATE FILMED 3-7-95 CAMERA NO. 2

CAMERAMAN JMB

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20461

Date: 3/21/95

☒ Microfilm
☐ Public Records
☐ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4078

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Mar 21 12 30 PM '95

March 16, 1995

Ms. Mary L. Taksar
Federal Election Commission
Washington, D.C. 20463

Dear Ms. Taksar,

MUR 4078

Thank you for your letter of February 27, 1995 notifying me that the F.E.C. has closed its file and will take no action on this complaint.

I appreciate your fast action in exonerating me.

Sincerely,

Mac Thornberry

P. O. Box 1006
Clarendon, TX 79226

P. O. Box 158
Wichita Falls, TX 76307

P. O. Box 9392
Amarillo, TX 79105