For Immediate Release
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WASHINGTON --The Federal Election Commission has recently made public action on three matters previously under review (MURs). In MUR 5721, Lockheed Martin Employee’s PAC paid a $27,000 civil penalty for failing to accurately account for and report disbursements, and failing to disclose receipts.

In MUR 5636, the Commission found reason to believe the law may have been violated, and sent admonishment letters to Russ Diamond and russdiamond.com for failing to register and report, and making and accepting prohibited transfers.

The Commission dismissed MUR 5699 because some events in question were previously resolved in MUR 5225, and the remaining allegations against New York Senate 2000 and others may have involved only small reporting errors that do not merit additional Commission resources.

1. MUR 5721

RESPONDENTS: Lockheed Martin Employees’ PAC, Stephen E. Chaudet, treasurer
COMPLAINANT: FEC Initiated (Audit/RAD)
SUBJECT: Failure to accurately account for and report disbursements; failure to disclose receipts; failure to maintain payroll deduction authorization forms
DISPOSITION: Conciliation Agreement: $27,000 civil penalty*[re: failure to accurately account for and report disbursements; failure to disclose receipts]

No reason to believe*[re: failure to maintain payroll deduction records]

This matter originated from referrals by the Commission’s Audit and Reports Analysis Divisions. According to the Audit Report the committee failed to accurately disclose operating expenditures which resulted from an embezzlement scheme perpetrated by Kenneth Phelps. The committee also failed to maintain payroll deduction authorization forms. The RAD report referred apparent reporting violations stemming from the committee’s failure to disclose certain receipts. The Commission found no reason to believe with regard to the committee’s failure to maintain payroll deduction records, because the policy on payroll deduction authorization forms had changed and the committee was not given the opportunity to demonstrate compliance under the new policy. The Commission reached a conciliation agreement with the Lockheed Martin PAC regarding the other reporting matters. Two Statements of Reasons were issued, one by Chairman Toner and Commissioner Mason, and a second by Chairman Toner, Vice Chairman Lenhard and Commissioners Mason, Walther, Weintraub and von Spakovsky.

DOCUMENTS ON PUBLIC RECORD: Documents from this matter are available from the Commission’s web site at http://www.fec.gov by entering 5721 under case number in the Enforcement Query System. They are also available in the FEC’s Public Records Office at 999 E St. NW in Washington.

2. MUR 5636

RESPONDENTS: (a) Russ Diamond

(b) russdiamond.org and Lori Kimmel, treasurer (state committee)
COMPLAINANT: Republican State Committee of Pennsylvania