



FEDERAL ELECTION COMMISSION

1125 K STREET, N.W.
WASHINGTON, D.C. 20543

REPORT OF THE AUDIT DIVISION ON BALTASAR QUINONES ELIAS

I. Background

A. Overview

This report is based upon a review of the campaign activity by Mr. Baltasar Quinones Elias undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The review was conducted pursuant to Section 438(a)(8) of Title 2, United States Code, which directs the Commission to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of the Act.

Mr. Quinones Elias was a candidate for election to the office of Resident Commissioner to the U.S. House of Representatives from Puerto Rico. The Candidate maintained his residence in Aguadilla, Puerto Rico.

This report is based on documents and working papers, which support each of the factual statements. They form part of the record upon which the Commission based its decisions on the matters in this report and were available to Commissioners and appropriate staff for review.

II. Findings and Recommendation

Section 431(b) of Title 2, United States Code, in part defines a candidate as an individual who seeks nomination for election, or election, to Federal office. Section 431(c) of Title 2, United States Code, defines "Federal office" to include the office of Resident Commissioner. Section 432(e)(1) of Title 2, United States Code requires a candidate to designate a political committee to serve as his principal campaign committee and Section 437b(a)(1) of Title 2, United States Code requires a candidate to designate one or more national or State banks as his campaign depositories.



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In part, Section 101.2 of the Commission's Regulations requires a candidate to file a "Statement of Candidate for Nomination or Election to Federal Office" (FEC Form 2) and Section 434(a) of Title 2, United States Code, requires the candidate to file periodic reports of receipts and expenditures with the Commission.

On August 22, 1977, the Commission advised Mr. Quinones Elias of his random selection for audit and requested information as to the status of his campaign activity, since the Commission records indicated that no reports were filed. On October 17, 1977 a telegram was sent to him again requesting this information.

On October 18, 1977, Mr. Quinones Elias responded to the Commission advising that his expenses "scarcely reached \$100." He stated that he had no committee and his only expenses were for gasoline used in his automobile. This letter was placed on the public record (copy attached).

On November 17, 1977, the audit staff contacted Mr. Quinones Elias to discuss his campaign. In response to questions he reaffirmed the above information and offered the following additional information:

1. He did not raise any funds through contributions or other sources.
2. He received no financial assistance from the Independence Party on whose ticket he sought the election.
3. All expenses were from his personal funds.
4. He maintained no records of his campaign activity or expenses.

On November 18, 1977, the Audit staff visited the offices of the "Tribunal Electoral" which is Puerto Rico's Election Commission and reviewed notarized reports filed by Mr. Quinones Elias for the period January 1, 1976 through September 2, 1976 which disclosed that the candidate received no contributions and made no expenditures.

Recommendation

Although the above facts indicate a disregard for the disclosure requirements of the Act, it is the opinion of the Audit staff that the candidate information and financial activity, not disclosed on a timely basis, did not result in material non-compliance with the Act. Therefore, it is the recommendation of the Audit staff that the letter filed by Mr. Quinones Elias be accepted as his Statement of Candidate for Nomination or Election to Federal Office and his report; and, that no further action be taken in this matter.

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