



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL
HARRISBURG, PA. 17120

ISRAEL PACKEL
ATTORNEY GENERAL

September 20, 1974

Honorable Patrick A. Gleason
Chairman, Select Committee on
State Contract Practices
House of Representatives
Room B-10, Main Capitol Building
Harrisburg, Pennsylvania

Dear Representative Gleason:

The Murphy memorandum enclosed in your letter of September 20, 1974, completely disregards that the one and only election filing requirement as clearly spelled out in the Election Code mandates that the filing take place within thirty days after the election. You just can't file within those thirty days monies that are received later than those thirty days. An important point that you and Mr. Murphy seem to overlook is the requirement to report actual expenditures and "liabilities incurred" so that by virtue of the filing the public is made aware of just how much money was utilized in the election.

As to the Pennsylvanians for Progress, I had no connection with it and know nothing about it, other than what I have read in the newspapers. I do not know when it was constituted, when it was terminated or by whom.

Sincerely yours,

A handwritten signature in cursive script that reads "Israel Packel".

Israel Packel
Attorney General

IP jg



Send to
Gleason

HOUSE OF REPRESENTATIVES

COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

September 20, 1974

Honorable Israel Packel
Attorney General of Pennsylvania
Old Museum Building
Harrisburg, Pennsylvania

Dear General Packel:

The interest I expressed to you in June 1973 on the subject of the Governor's political bank loans has broadened. Because you are in the unique position of being Attorney General now, as well as the Governor's personal lawyer and counsel to the Governor during the period involved, I ask for your help.

My question concerns whether or not the money raised by Governor Shapp following his election should have been reported.

To read that the press has been told that political funds raised under such circumstances are excluded from reporting requirements makes no sense. I quickly read the total requirements of the Election Code, and found no such exclusion. I attach a memo from Attorney Joseph Murphy, House Legal Staff, which addresses the question.

I am fully convinced that the law, as presently constituted, carries the intent that such money shall be reported; and that, in the absence of specific language to exclude, the Pennsylvanians for Progress stands in violation of the law.

Hon. Israel Packel
September 20, 1974
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It is absurd to conclude that an office holder was meant to be excluded from reporting money he raised from persons and firms doing business with the state who hoped to receive continued or increased amounts of business. Our information is that most of the funds raised by the Governor during this period was solicited from persons whose business is heavily dependent upon state contracts. From a moral standpoint, the need for such funds to be reported far exceeds the need to report pre-election funding.

I request a letter of opinion from you concerning the Murphy memorandum.

I also would like for you to determine, and to inform me, of the date on which Pennsylvanians for Progress was legally constituted; the date it was terminated and by whose authority.

May I have your response by 5:00 p.m., September 25?

Sincerely yours,

PATRICK A. GLEASON

Attachment
PAG:em

cc: Hon. Milton J. Shapp
Hon. Daniel E. Beren
Hon. Harry R.J. Comer
Hon. C. DeLores Tucker
Hon. Leroy Zimmerman, District Attorney,
Dauphin County



HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA

MEMO

September 20, 1974

SUBJECT: Financial Reporting Requirements - Funds collected or disbursed after election.

TO: Hon. Patrick A. Gleason, Chairman
House Select Committee to Investigate State Contract Practices

FROM: Joseph W. Murphy, Assistant Chief Legal Counsel
House of Representatives

To contend that campaign funds collected or disbursed after an election are not reportable is to be completely contemptuous of the Pennsylvania Election Code.

Section 1607 of the Act of June 3, 1937 requires that "...Every treasurer of a political committee shall, if the amount received or expended or liabilities incurred shall exceed the sum of one-hundred fifty dollars, file a full, true and detailed account, subscribed and sworn to by him, setting forth each and every sum of money received, contributed or disbursed by him for primary or election expenses the date or each receipt, contribution, and disbursement, the name of the person from whom received or to whom paid, and the specific object or purpose for which the same was disbursed."

By definition, the election expenses referred to in the preceding paragraph are to include all expenses, "whether such expenditures are made before, during; or after the election." (Section 1601, Act of June 3, 1937).

As can plainly be seen, these reporting requirements contemplated a complete reporting of any funds used in a political campaign. It is ridiculous to assume that the Legislature would have intended to make a candidate fully accountable for contributions and expenditures made before and election, and be completely unaccountable for contributions and expenditures made after the election.

If this were the case, it is quite conceivable that the accounting requirements could be completely frustrated in any given election. All such a system would require would be for a political committee, party, or candidate to utilize debt prior to an election, and solicit no contributions until 30 days after the election.

In this manner, no one would ever be able to find out who put up the money to extinguish the debts. There is no possible construction, when reading the Election Code as a whole, that would allow such a ludicrous interpretation of the financial reporting requirements.

There is no need to elaborate upon the need to know where a candidate's financial support comes from. There is too much influence which can be exerted by an elected official over many special interest groups and individuals.

Any construction that would allow the frustration of the financial reporting requirements, as this purported construction does, violates not only the letter but the spirit and purpose of having any election laws at all. It is my opinion that, in the case of Pennsylvanians for Progress, the Committee is, and has been, in violation of law.